

# swiss primeinsight

ANNUAL REPORT AS AT 31 DECEMBER 2010

  
picking the real value



SWISS PRIME SITE



## SWISS PRIME INSIGHT AS AT 31 DECEMBER 2010

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Translation: The original of this annual report is written in German. In the case of inconsistencies between the German original and this English translation, the German version shall prevail.

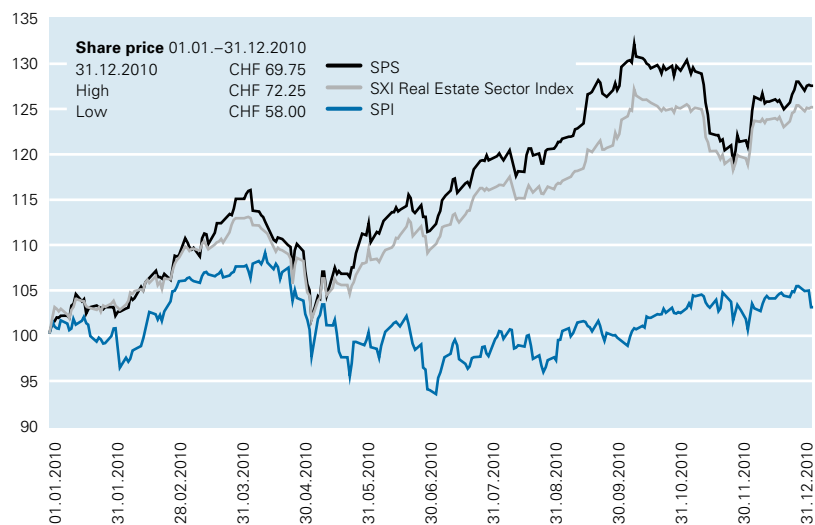
## SELECTED KEY FIGURES

	in	31.12.2010	31.12.2009	Change in %
<b>Group</b>				
Investment properties	CHF m	8 020.3	8 081.6	(0.8)
Rental income, net	CHF m	417.3	251.7	65.8
Sales turnover, net	CHF m	157.0	32.8	378.7
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	CHF m	438.2	223.3	96.2
Earnings before interest and taxes (EBIT)	CHF m	411.1	219.4	87.4
Revaluation of investment properties, properties under construction and development sites (IAS 40)	CHF m	86.4	53.9	60.3
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	235.0	187.4	25.4
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	240.9	190.5	26.5
Shareholders' equity attributable to shareholders of Swiss Prime Site AG	CHF m	3 267.2	3 221.4	1.4
Equity ratio	%	39.3	37.8	4.0
Borrowed capital	CHF m	5 050.2	5 273.5	(4.2)
Borrowed capital ratio	%	60.7	61.8	(1.8)
Non-controlling interests	CHF m	–	33.8	(100.0)
Non-controlling interests relative to total capital	%	–	0.4	(100.0)
Total capital	CHF m	8 317.4	8 528.7	(2.5)
ROE (weighted)	%	7.2	10.0	(28.0)
ROIC (weighted)	%	4.3	4.3	–
Cash flow from operating activities	CHF m	130.9	109.7	19.3
Cash flow from investing activities	CHF m	109.7	(180.0)	(160.9)
Cash flow from financing activities	CHF m	(321.2)	159.0	(302.0)
<b>Figures excluding revaluation effects*</b>				
Earnings before interest and taxes (EBIT)	CHF m	324.7	165.4	96.3
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	171.7	117.1	46.6
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	171.7	117.0	46.8
Earnings per share (weighted)	CHF/share	3.17	3.81	(16.8)
ROE (weighted)	%	5.4	6.5	(16.9)

\* revaluations (IAS 40) and deferred taxes

## TREND OF THE SWISS PRIME SITE SHARE (REINVESTED), TOTAL RETURN

01.01.–31.12.2010



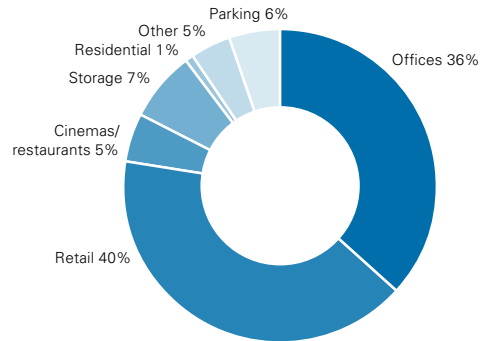
## SHARE DETAILS

<b>Share price (01.01.–31.12.2010)</b>	31.12.2010	CHF 69.75
	Highest	CHF 72.25
	Lowest	CHF 58.00
<b>Market capitalisation</b>	31.12.2010	CHF m 3 792.2
<b>NAV before deferred taxes per share*</b>	31.12.2010	CHF 72.11
	31.12.2009	CHF 71.22
	Change	1.2%
<b>NAV after deferred taxes per share*</b>	31.12.2010	CHF 60.14
	31.12.2009	CHF 59.52
	Change	1.0%
<b>Earnings per share (weighted)</b>	31.12.2010	CHF 4.34
	31.12.2009	CHF 6.09
	Change	(28.7%)
<b>Share statistics</b>	Total registered shares	54 368 714
	Securities no.	803 838
	ISIN no.	CH 000 803 838 9
	SIX symbol	SPSN
	First trading day	05.04.2000

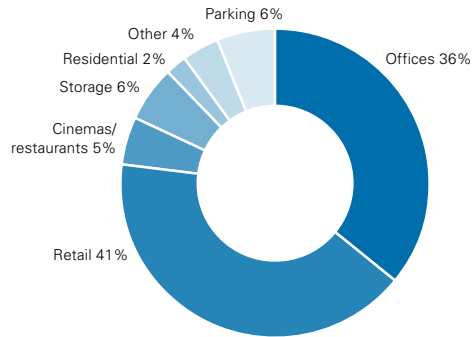
\* Non-controlling interests recognised in shareholders' equity are not included in the calculation of the NAV.

## PORTFOLIO SPLIT BY TYPE OF USE

Based on net rental income as at 31.12.2010

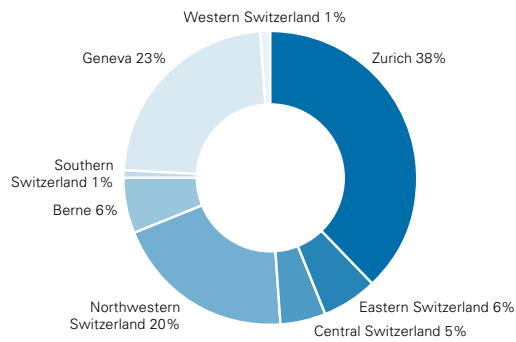


Based on net rental income as at 31.12.2009

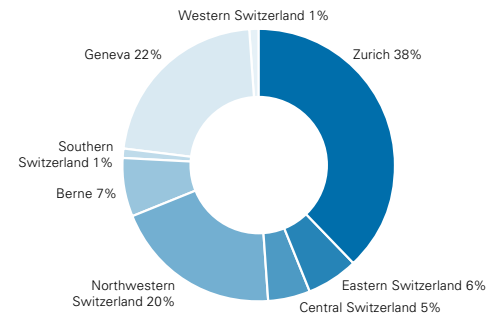


## PORTFOLIO SPLIT BY REGION

Based on fair value as at 31.12.2010



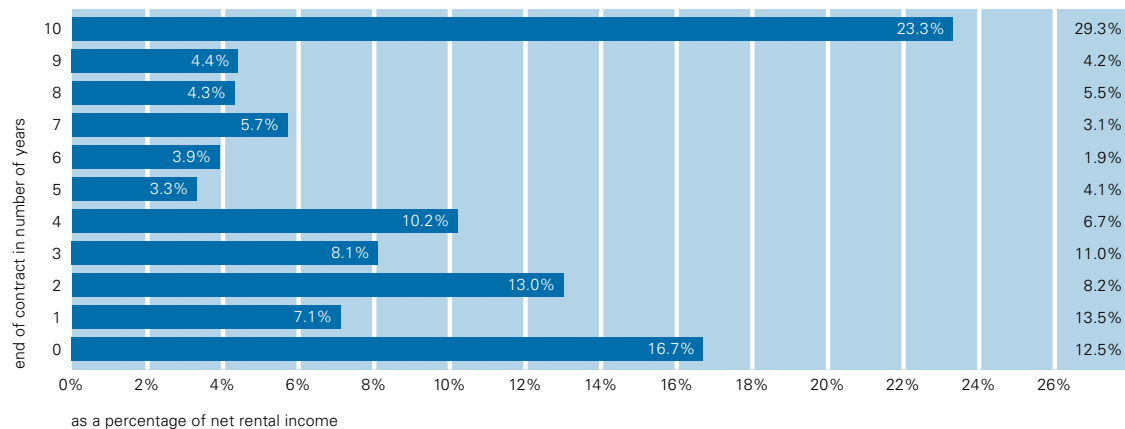
Based on fair value as at per 31.12.2009



## LEASE EXPIRY PROFILE

Based on net rental income as at 31.12.2010

31.12.2009



## MULTI-YEAR SUMMARY OF KEY FIGURES

	in	31.12.2010	31.12.2009	31.12.2008	31.12.2007	31.12.2006
<b>Key portfolio figures</b>						
Investment properties (fair value)	CHF m	8 020.3	8 081.6	3 785.5	3 651.6	3 467.8
Investment properties	Number	198	230	110	118	123
Average property size	CHF m	40.5	35.1	34.4	30.9	28.2
Rental income, net	CHF m	417.3	251.7	207.1	204.2	191.1
Net return on properties	%	4.9	4.9	5.1	5.2	5.2
Loss of earnings rate	%	4.2	4.0	4.5	4.9	6.3
<b>Key retail figures</b>						
Retail trade turnover, gross	CHF m	164.1	34.0	–	–	–
Loss of earnings	CHF m	(7.1)	(1.2)	–	–	–
Retail trade turnover, net	CHF m	157.0	32.8	–	–	–
Cost of goods sold	CHF m	75.1	17.8	–	–	–
Gross profit	CHF m	81.9	15.0	–	–	–
Gross profit margin	%	52.2	45.7	–	–	–
<b>Key financial figures</b>						
EBITDA	CHF m	438.2	223.3	200.9	308.6	179.9
EBIT	CHF m	411.1	219.4	200.9	308.6	179.9
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	235.0	187.4	116.4	198.9	101.0
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	240.9	190.5	116.4	198.9	101.0
Shareholders' equity attributable to shareholders of Swiss Prime Site AG	CHF m	3 267.2	3 221.4	1 418.8	1 329.6	1 388.8
Equity ratio	%	39.3	37.8	37.0	35.7	39.6
Borrowed capital	CHF m	5 050.2	5 273.5	2 411.4	2 399.0	2 118.3
Borrowed capital ratio	%	60.7	61.8	63.0	64.3	60.4
Non-controlling interests	CHF m	–	33.8	–	–	–
Non-controlling interests relative to total capital	%	–	0.4	–	–	–
Total shareholders' equity and borrowed capital	CHF m	8 317.4	8 528.7	3 830.2	3 728.6	3 507.1
Average interest rate on financial liabilities	%	2.8	2.8	3.0	3.0	3.0
Average residual time to maturity of interest-bearing financial liabilities	years	3.9	3.4	4.4	4.2	4.7
ROE (weighted)	%	7.2	10.0	8.5	14.6	7.4
ROIC (weighted)	%	4.3	4.3	4.9	7.2	4.6
Cash flow from operating activities*	CHF m	130.9	109.7	77.5	85.3	87.7
Cash flow from investing activities*	CHF m	109.7	(180.0)	(56.6)	(57.8)	(119.1)
Cash flow from financing activities*	CHF m	(321.2)	159.0	(20.4)	(28.5)	28.0

\* Where the previous years' figures have changed as a result of reclassification, the last published figures are reported.

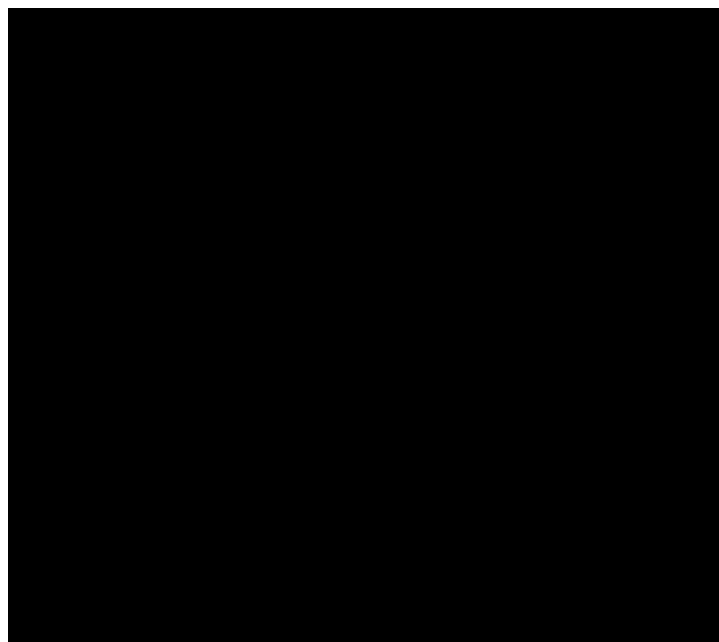
## MULTI-YEAR SUMMARY OF KEY FIGURES

	in	31.12.2010	31.12.2009	31.12.2008	31.12.2007	31.12.2006
<b>Key financial figures</b>						
<b>excluding revaluation effects*</b>						
EBIT	CHF m	324.7	165.4	158.6	150.1	146.3
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	171.7	117.1	93.5	85.3	80.4
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	171.7	117.0	93.5	85.3	80.4
ROE (weighted)	%	5.4	6.5	6.9	6.9	6.0
ROIC (weighted)	%	3.6	3.2	4.3	4.1	4.0
<b>Key figures per share</b>						
Share price at end of period	CHF	69.75	58.00	50.80	57.50	73.45
Share price, highest	CHF	72.25	59.90	68.00	75.90	73.45
Share price, lowest	CHF	58.00	41.80	49.30	57.50	60.50
Earnings per share (weighted)	CHF	4.34	6.09	4.95	8.13	3.94
NAV before deferred taxes	CHF/share	72.11	71.22	66.01	63.81	57.97
NAV after deferred taxes	CHF/share	60.14	59.52	59.25	57.52	54.14
Distribution/ nominal value reduction	CHF/share	–	3.50	3.40	3.40	3.10
Distribution from reserves of paid-in capital	CHF/share	3.50**	–	–	–	–
Payout ratio (cash yield on closing price of the reporting period)	%	5.0**	6.0	6.7	5.9	4.2
Share performance (TR) p.a. in the last 12 months	%	27.1	22.0	(6.7)	(17.9)	26.9
Share performance (TR) p.a. in the last 3 years	%	13.1	(2.4)	(1.1)	5.6	22.9
Share performance (TR) p.a. in the last 5 years	%	8.5	6.0	7.2	9.4	13.9
Premium (+)/discount (–)	%	16.0	(2.6)	(14.3)	–	35.7
<b>Market capitalisation</b>	CHF m	3 792.2	3 153.4	1 303.2	1 475.1	1 884.3
<b>Share statistics</b>						
Shares issued	Number	54 368 714	54 368 714	25 653 598	25 653 598	25 653 598
Average treasury shares held	Number	(173 262)	(1 465 828)	(2 122 988)	(1 183 939)	(20 310)
Average outstanding shares	Number	54 195 452	30 751 332	23 530 610	24 469 659	25 633 288
Treasury shares held	Number	(44 037)	(245 982)	(1 708 529)	(2 537 784)	(2 510)
Outstanding shares	Number	54 324 677	54 122 732	23 945 069	23 115 814	25 651 088

\* revaluations (IAS 40) and deferred taxes

\*\* according to proposal to Annual General Meeting







# Foreword by the Chairman of the Board of Directors



## FOREWORD BY THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear shareholders,  
Ladies and gentlemen,

Swiss Prime Site AG has closed its first full financial year with Jelmoli Group, which was acquired in 2009. As the performance reveals, much has changed. Rental income surged by 65.8% to CHF 417.3 million, while earnings before interest and taxes (EBIT) soared by 87.4% to CHF 411.1 million in the financial year 2010. Profit attributable to shareholders after revaluations reached CHF 235.0 million, surpassing the previous year's mark by 25.4%.

Indeed, Swiss Prime Site has remained true to its strategic orientation, regardless of its new dimension as the leading real estate investment company in Switzerland. The Company continues to focus on first-class real estate situated in selectively chosen locations. This strategy primarily determines which properties are divested and which properties or development projects are acquired. In the reporting year, Swiss Prime Site sold 33 properties that failed to conform to the investment strategy, leading to a slight decline in the overall value of the portfolio to CHF 8.0 billion.

New building projects are in various stages of development: Prime Tower, located at the Maag site in Zurich West, will see the first tenants taking up residence already in a few months. The Stücki Business Park complex in Basel will conclude its fifth and final construction phase in August 2011. Swiss Prime Site also aims to construct the SkyKey business centre in Zurich North, which will be ready for occupation in summer 2014 by Zurich Insurance Company Ltd, under a long-term lease. The residential building complex Maaghof, situated to the west of Prime Tower, offers another interesting investment opportunity.

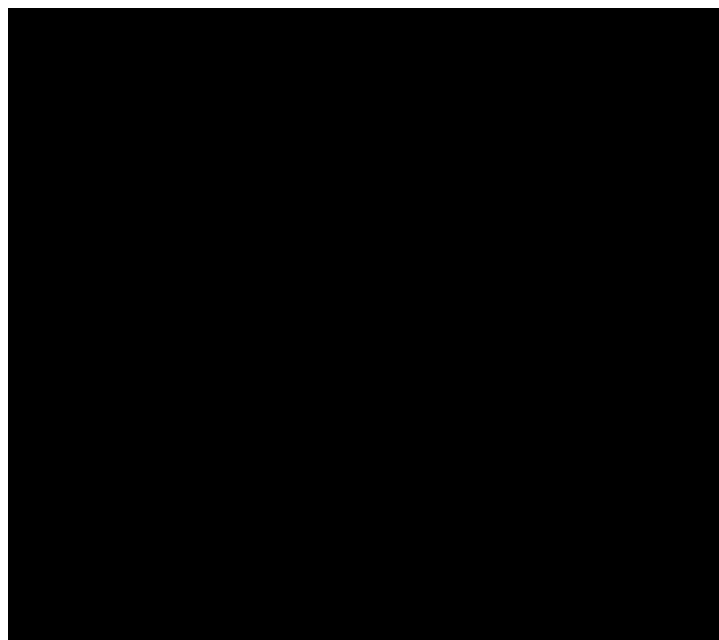
The total renovation of Jelmoli – The House of Brands was concluded in October 2010. The completely revamped department store, with a harmonious corporate design and new logo, has been chosen as the winner of the EuroShop Retail Design Award 2011.

The exceptionally positive performance turned in by Swiss Prime Site is also reflected in its share price, which amounted to CHF 69.75 [CHF 58.00] at the end of 2010, resulting in an excellent total return of 27.1%.

Based on the renewed very solid annual results, with earnings per share of CHF 4.34 and favourable outlook for the financial year 2011, the Board of Directors has decided to propose to the Annual General Meeting of 19.04.2011 an unchanged distribution of CHF 3.50 per share. The payout should be carried out through a withholding tax-exempt distribution from reserves of paid-in capital and corresponds to a cash yield of 5.0% based on the closing share price at year-end 2010.

I would like to thank the Board of Directors and Management Board for their constructive cooperation, as well as strong commitment to Swiss Prime Site.

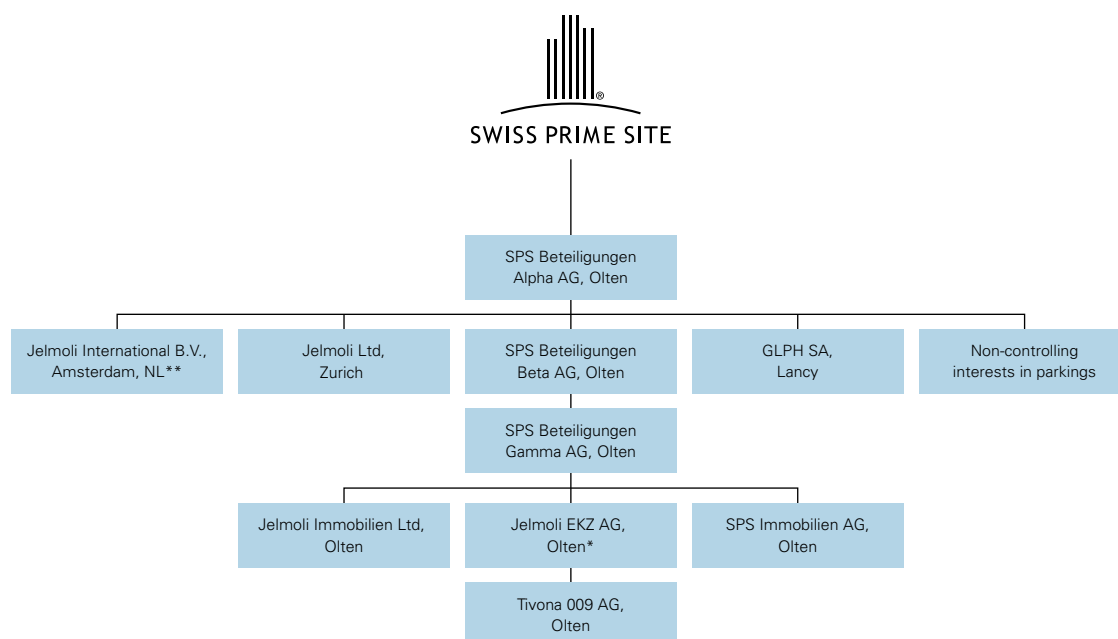
Hans Peter Wehrli





Corporate governance

## GROUP STRUCTURE



During the reporting year, the Group implemented the following structural changes:

- various mergers as at 01.01.2010 (see the table below)
- sale of Jelmoli Bonus Card Ltd, Zurich, as at 28.05.2010

## INVESTMENTS IN SUBSIDIARIES

		31.12.2010	31.12.2009
Subsidiaries	Purpose	Share capital in CHF 1 000	Share capital in CHF 1 000
<b>Fully consolidated investments in subsidiaries with a shareholding interest (directly or indirectly) of 100%</b>			
GLPH SA, Lancy, CH	Hotel	100	100
Jelmoli Ltd, Zurich, CH	Retail company	6 600	6 600
Jelmoli EKZ AG, Olten, CH*	Real estate company	487	487
Jelmoli Immobilien Ltd, Olten, CH	Real estate company	50 000	50 000
Jelmoli International B.V., Amsterdam, NL**	Investment company	90	90
SPS Beteiligungen Alpha AG, Olten, CH	Investment company	650 000	650 000
SPS Beteiligungen Beta AG, Olten, CH	Investment company	450 000	450 000
SPS Beteiligungen Gamma AG, Olten, CH	Investment company	300 000	300 000
SPS Immobilien AG, Olten, CH	Real estate company	225 000	225 000
Tivona 009 AG, Olten, CH	Real estate company	100	100
<b>The following companies were merged with retroactive effect as at 01.01.2010 with Jelmoli EKZ AG*</b>			
Immobilien AAA Projekte AG, Zurich, CH	Real estate company	–	100
Jelmoli Liegenschaften Eins AG, Zurich, CH	Real estate company	–	250
Société Immobilière Grand Trèfle U SA, Basel, CH	Real estate company	–	50
Tivona Pi AG, Egg, CH	Real estate company	–	100
Tivona Sigma AG, Egg, CH	Real estate company	–	1 100

\* former Jelmoli EKZ St. Gallen AG

\*\* in liquidation since January 2011

Subsidiaries	Purpose	31.12.2010	31.12.2009
		Share capital in CHF 1 000	Share capital in CHF 1 000
Tivona Terra AG, Egg, CH	Real estate company	–	2 850
Tivona Xi AG, Egg, CH	Real estate company	–	100
Tivona 033 AG, Egg, CH	Real estate company	–	3 600
<b>The following companies were merged with retroactive effect as at 01.01.2010 with Jelvoli Immobilien Ltd</b>			
Au Grand Passage-Innovation SA, Geneva, CH	Real estate company	–	10 000
Bastra SA, Carouge, CH	Real estate company	–	1 000
Jelvoli Real Estate Services AG, Zurich, CH	Service company	–	400
Jelvoli Liegenschaften Zwei AG, St. Gallen, CH	Real estate company	–	100
Jelvoli Services AG, Zurich, CH	Service company	–	1 300
Regina Kaufhaus AG, Zurich, CH	Real estate company	–	1 500
Retail Immobilien AG, St. Gallen, CH	Real estate company	–	22 400
<b>The following company was merged with retroactive effect as at 01.01.2010 with SPS Beteiligungen Alpha AG</b>			
Jelvoli Holding Ltd, Zurich, CH	Investment company	–	42 879
<b>The following companies were merged with retroactive effect as at 01.01.2010 with SPS Immobilien AG</b>			
Société Immobilière Rue Céard No. 14, Olten, CH	Real estate company	–	50
SPS Immobilien Residenz AG, Olten, CH	Real estate company	–	36 000
<b>The following companies were merged with retroactive effect as at 01.01.2010 with Tivona 009 AG</b>			
Crispart SA, Basel, CH	Investment company	–	100
ECIF SA, Lausanne, CH	Real estate company	–	50
Jelvoli Eta AG, Basel, CH	Real estate company	–	100
Jelvoli Jota AG, Basel, CH	Real estate company	–	100
Jelvoli Omikron AG, Basel, CH	Real estate company	–	100
Jelvoli Phi AG, Olten, CH	Real estate company	–	100
Jelvoli Real Estate Development AG, Basel, CH	Service company	–	100
Jelvoli 038 AG, Basel, CH	Real estate company	–	100
Niesenpark AG, Heimberg, CH	Real estate company	–	1 200
Tivona Alpha AG, Basel, CH	Real estate company	–	100
Tivona Beta AG, Olten, CH	Real estate company	–	100
Tivona Chi AG, Basel, CH	Real estate company	–	100
Tivona Delta AG, Basel, CH	Real estate company	–	100
Tivona Epsilon AG, Basel, CH	Real estate company	–	100
Tivona Gamma AG, Basel, CH	Real estate company	–	100
Tivona Kappa AG, Basel, CH	Real estate company	–	100
Tivona Lambda AG, Basel, CH	Real estate company	–	100
Tivona Mü AG, Basel, CH	Real estate company	–	100
Tivona Nü AG, Basel, CH	Real estate company	–	100
Tivona Omega AG, Basel, CH	Real estate company	–	100
Tivona Parta AG, Basel, CH	Real estate company	–	100
Tivona Parta II AG, Basel, CH	Real estate company	–	100
Tivona Parta III AG, Basel, CH	Real estate company	–	100
Tivona Psi AG, Basel, CH	Investment company	–	100
Tivona Rho AG, Basel, CH	Real estate company	–	100
Tivona Tau AG, Basel, CH	Real estate company	–	100
Tivona Theta AG, Olten, CH	Real estate company	–	100
Tivona Ypsilon AG, Basel, CH	Real estate company	–	100
Tivona Zeta AG, Basel, CH	Real estate company	–	100
Tivona 031 AG, Basel, CH	Real estate company	–	100

		31.12.2010	31.12.2009
		Share capital	Share capital
<b>Subsidiaries</b>	Purpose	in CHF 1 000	in CHF 1 000
Tivona 032 AG, Olten, CH	Real estate company	–	100
Tivona 034 AG, Basel, CH	Real estate company	–	100
Tivona 035 AG, Basel, CH	Real estate company	–	100
Tivona 036 AG, Basel, CH	Real estate company	–	100
Tivona 039 AG, Basel, CH	Real estate company	–	100
Tivona 040 AG, Basel, CH	Real estate company	–	100
Tivona 041 AG, Basel, CH	Real estate company	–	100
Tivona 042 AG, Basel, CH	Real estate company	–	100
<b>Deconsolidated investment in subsidiary 72.5% due to sale on 28.05.2010</b>			
Jelmoli Bonus Card Ltd, Zurich, CH	Service company	–	7 500
<b>Investments in associates, valued according to the equity method</b>			
Ensemble artisanal et commercial de Riantbosson S.A., Frauenfeld, CH, investment of 31.0%	Real estate company	1 000	1 000
Parkgest Holding SA, Geneva, CH, investment of 38.8%	Parking	4 750	4 750
Parking Riponne S.A., Lausanne, CH, investment of 27.1%	Parking	5 160	5 160

All investments in subsidiaries are unlisted companies. These companies are consolidated on the basis of their shareholding interest. Jelmoli Holding Ltd (securities number 66 847) was dissolved as at 02.07.2010 as a result of the merger in SPS Beteiligungen Alpha AG. The registered shares of the Holding Company itself, Swiss Prime Site AG located in Olten, Switzerland, are listed on the SIX Swiss Exchange under the securities number 803 838 and the ISIN number CH 000 803 838 9. Market capitalisation of Swiss Prime Site AG was CHF 3 792.2 million as at 31.12.2010.

## SHAREHOLDER STRUCTURE

As at 31.12.2010

Breakdown by number of shares	Registered shareholders		Registered shares	
	Number	%	Number	% *
1 to 5 000	6 668	93.7	4 431 316	8.2
5 001 to 50 000	333	4.7	5 207 955	9.6
50 001 to 500 000	97	1.4	14 425 097	26.5
500 001 to 1 282 679	10	0.1	8 687 436	16.0
1 282 680 and above	4	0.1	8 450 769	15.5
<b>Total registered shareholders/shares</b>	<b>7 112</b>	<b>100.0</b>	<b>41 202 573</b>	<b>75.8</b>
Unrecorded shares			13 166 141	24.2
<b>Total shares issued</b>			<b>54 368 714</b>	<b>100.0</b>

Breakdown by countries/regions	Registered shareholders		Registered shares	
	Number	%	Number	%
Switzerland	6 784	95.4	34 022 307	82.6
Europe (excluding Switzerland)	269	3.8	6 085 772	14.8
Other countries	59	0.8	1 094 494	2.6
<b>Total registered shareholders/shares</b>	<b>7 112</b>	<b>100.0</b>	<b>41 202 573</b>	<b>100.0</b>

Breakdown by shareholder categories	Registered shareholders		Registered shares	
	Number	%	Number	%
Natural persons	6 196	87.1	10 436 980	25.3
Legal entities	376	5.3	10 829 719	26.3
Pension funds	236	3.3	10 288 819	25.0
Other	183	2.6	2 780 937	6.8
Funds	92	1.3	5 078 520	12.3
Insurance companies	29	0.4	1 787 598	4.3
<b>Total registered shareholders/shares</b>	<b>7 112</b>	<b>100.0</b>	<b>41 202 573</b>	<b>100.0</b>

As at the balance sheet date, the Company is aware of the following major shareholders:

Major shareholders (shareholding interest >3.0%)**	31.12.2010	31.12.2009
	Shareholding interest in %	Shareholding interest in %
Credit Suisse Asset Management Funds AG, Zurich	5.0	n/a
Wecken Klaus R., Bettingen	4.7	5.4
Fust Walter, Freienbach	4.7	4.1
Credit Suisse Investment Foundation, Zurich	n/a	3.0
Franklin Resources, Inc., Fort Lauderdale, Florida	n/a	4.5
Pelham Investments Ltd, Baar	n/a	8.2

\* as % of shares issued

\*\* according to entry in the share register or notifications received by the Company

## CROSS-INVESTMENTS

At present, there are no cross-investments.

## CAPITAL STRUCTURE ON 31.12.2010

Capital	Number of registered shares	Nominal per share in CHF	Total in CHF 1 000
Share capital	54 368 714	15.30	831 841
Authorised capital	8 000 000	15.30	122 400
Conditional capital	8 000 000	15.30	122 400

All outstanding shares are voting and dividend-entitled shares. There are no preferential rights whatsoever.

**Authorised capital**

The Board of Directors is authorised to increase the share capital within the aforementioned limits at any time until 22.10.2011. The subscription right of the shareholders is safeguarded. The precise wording can be found in the Company's articles of association.

**Conditional capital**

The conditional capital is divided into an amount of up to CHF 99.297 million [CHF 122.012 million] (6 490 000 [6 490 000] shares) for exercising options and/or conversion rights granted in connection with bond or similar issues and an amount of up to CHF 23.103 million [CHF 28.388 million] (1 510 000 [1 510 000] shares) for option rights granted to the shareholders. The precise wording can be found in the Company's articles of association.

## SHARE CAPITAL CHANGES OVER THE LAST THREE YEARS

Changes	Number of registered shares	Nominal per share in CHF	Nominal value in CHF 1 000
<b>Share capital as at 31.12.2007</b>	<b>25 653 598</b>	<b>25.60</b>	<b>656 732</b>
Nominal value reduction on 27.06.2008	–	(3.40)	(87 222)
<b>Share capital as at 31.12.2008</b>	<b>25 653 598</b>	<b>22.20</b>	<b>569 510</b>
Nominal value reduction on 09.07.2009	–	(3.40)	(87 222)
Capital increase on 10.07.2009	4 480 000	18.80	84 224
Capital increase on 29.10.2009	24 235 116	18.80	455 620
<b>Share capital as at 31.12.2009</b>	<b>54 368 714</b>	<b>18.80</b>	<b>1 022 132</b>
Nominal value reduction on 12.07.2010	–	(3.50)	(190 291)
<b>Share capital as at 31.12.2010</b>	<b>54 368 714</b>	<b>15.30</b>	<b>831 841</b>

More details on the changes to the share capital can be found in Note 29 «Shareholders' equity». Swiss Prime Site AG has only registered shares outstanding.

## RESTRICTIONS ON TRANSFERABILITY AND NOMINEE REGISTRATIONS

Pursuant to Article 5 of the articles of association, every shareholder and usufructuary may request to be registered in the share register. Only those persons whose names appear in the share register and who have acquired shares in their own name and on their own account are recognised as shareholders or usufructuaries by the Company. The Company recognises only one beneficiary per share.

Each share is entitled to a vote at the General Meeting. The Board of Directors is authorised to oppose foreign purchasers of registered shares as shareholders with voting rights as far as and as long as their recognition can prevent the Company from generating the verification required by federal law about the composition of the circle of shareholders. Otherwise, there are no restrictions on registration or voting rights.

## CONVERTIBLE BONDS AND OPTIONS

On 03.02.2005, Swiss Prime Site AG issued a convertible bond with the following key data:

Volume	CHF 170.000 million (outstanding nominal value as at 31.12.2009 CHF 123.400 million)
Interest rate	2.0% p.a., payable annually on 03.02., starting on 03.02.2006
Time to maturity	5 years (03.02.2005–03.02.2010)
Conversion price	CHF 65.00 (on 31.12.2009 CHF 62.08)
Listing	SIX Swiss Exchange
Securities number	2 042 186 (SPS05)

This convertible bond was paid back on 03.02.2010.

On 20.01.2010, Swiss Prime Site AG issued a convertible bond with the following key data:

Volume	CHF 300.000 million
Interest rate	1.875% p.a., payable annually on 20.01., starting on 20.01.2011
Time to maturity	5 years (20.01.2010–20.01.2015)
Conversion price	CHF 71.89
Listing	SIX Swiss Exchange
Securities number	10 877 415 (SPS10)

Each individual bond with a nominal value of CHF 5 000 can be converted into registered shares of the Company at any time. The new shares to be issued are secured by conditional capital.

For the years 2005 to 2007, Jelmoli had issued options for Jelmoli registered shares as part of the compensation package for members of the board of directors and management employees. These options were subject to blocking periods until 2013 and were still outstanding at the point of acquisition by Swiss Prime Site. As a result of the spin-off of Athris from Jelmoli Group in March 2009, Jelmoli adapted part of the outstanding options so that the underlying comprised a new basket of Jelmoli and Athris shares. Consequently, an obligation to supply Athris shares to current and former employees was justified, which does not represent any obligation from share-based compensation.

In connection with the acquisition by Swiss Prime Site, it was decided that all outstanding options should be exchanged for Swiss Prime Site registered shares (if necessary through the cancellation of the options). In total, the exchange comprised 342 156 Swiss Prime Site registered shares (corresponding to share capital of CHF 6.433 million).

The exchange of Swiss Prime Site registered shares against options took place on 25./26.03.2010. The required Swiss Prime Site registered shares were covered by the Company's treasury shares, where available, or through purchases.

## BOARD OF DIRECTORS

**Hans Peter Wehrli** (1952), Zurich

Prof. Dr. oec. publ.

Chairman of the Board of Directors

Non-executive member of the Board of Directors

Member since: 29.04.2002

Elected until: GM 2011

Education: graduated in 1977 in business management studies from the University of Zurich, received a PhD (Dr. oec. publ.) in 1980, various study visits to American universities

Professional activity: Hans Peter Wehrli has been professor of business management studies and has held the chair in marketing at the University of Zurich since 1993.

In addition to his mandate at Swiss Prime Site AG, as at 31.12.2010 Hans Peter Wehrli holds seats on the boards of directors of Belimo Holding AG, Hinwil (chairman of the board of directors), and Datacolor Ltd, Lucerne (member of the board of directors).

**Thomas Wetzel** (1956), Küsnacht

Dr. iur., solicitor

Vice-chairman of the Board of Directors

Non-executive member of the Board of Directors

Member since: 11.05.1999

Elected until: GM 2011

Education: graduated in law from the University of Zurich in 1981; dissertation in 1983 at the University of Basel, admitted to the bar of the Canton of Schaffhausen in 1985

Professional activity: Thomas Wetzel has been a partner at the law office Wenger Plattner, Basel, Zurich and Berne since 2003. Prior to that, he worked as a legal consultant and solicitor for several law offices and served as secretary to the Supreme Court of the canton of Schaffhausen. From 1988 to 1997 he was a member of the management board, and in recent years, deputy chairman of the management board of Intershop Holding Ltd, Zurich. Thomas Wetzel lectures at CUREM (Center for Urban & Real Estate Management), Zurich.

Apart from acting as vice-chairman of Swiss Prime Site AG, as at 31.12.2010, Thomas Wetzel also holds seats on the boards of directors of Hertsch & Cie AG, Zurich, Tanverco AG, Zurich, Geschäftshaus City AG Dübendorf, Dübendorf, Caretta + Weidmann Baumanagement AG, Zurich, Erdgas Zürich AG, Zurich, and Polyterra Liegenschaften AG, Küsnacht. He is chairman of the board of directors of Brandenberger + Ruosch Ltd, Dietlikon, EBV Immobilien AG, Urdorf, CCC Credit Card Center AG, Glattbrugg, and Reinvest Select Ltd, Glattbrugg. He is the chairman of the investment committee of AFIAA Investment Foundation for Real Estate Investments Abroad, Zurich, and member of the foundation board of the Foundation for Anesthesiology Research.

**Christopher M. Chambers** (1961), London

Non-executive member of the Board of Directors

Member since: 22.10.2009

Elected until: GM 2012

Professional activity: Christopher M. Chambers has worked as consultant for the Charities Office of Clarence House, HRH The Prince of Wales, London, from 2005 to 2008, and he is a member of the board of directors of Kensington Preparatory School, London. From 2002 to 2005, he was CEO of Man Investments and executive member of the executive board (main board director) of Man Group Plc (globally leading provider of alternative investments). From 1997 to 2002 he was Managing Director and Head of European Equity Capital Markets of Credit Suisse First Boston, and from 1990 to 1997 he was Director of Barclays de Zoete Wedd.

In addition to his mandate at Swiss Prime Site AG, as at 31.12.2010, Christopher M. Chambers is, among others, a fellow of the Royal Society of Arts, Manufacturing and Commerce. From December 2007 to June 2010 he was non-executive chairman of the board of directors of Jelmoli Holding Ltd, Zurich, and member of the committee. Since 2009, he has been member of the board of directors of Evolution Group Plc, London. Since December 2010 he has been member of the board of directors of GE Money Bank Ltd, Zurich.

**Bernhard M. Hammer** (1950), Kammersrohr

Dr. iur. attorney-at-law and notary

Non-executive member of the Board of Directors

Member since: 29.04.2002

Elected until: GM 2013

Education: He received his PhD in law (Dr. iur.) in 1978 from the University of Zurich, and qualified as an attorney and notary in 1979.

Professional activity: From 1987 to 1997 Bernhard M. Hammer was CEO of Stuag Holding, Berne, and from 1997 to 1999 member of the board of directors and chairman's committee of Batigroup AG, Basel. In addition, he was chairman of the board of directors of Comet Holding Ltd from 1990 to 2007.

In addition to his mandate at Swiss Prime Site AG, as at 31.12.2010 Bernhard M. Hammer is, amongst others, member of the board of directors of XCAN Ltd, Lucerne, of Flumroc Ltd, Flums, of BASo Holding SA, Fribourg, of Sofisa Financial Corporation Ltd, Fribourg, and of VINCI Energies Switzerland Ltd, Zurich.

**Rudolf Huber** (1955), Pfäffikon SZ

Dr. oec. publ.

Non-executive member of the Board of Directors

Member since: 29.04.2002

Elected until: GM 2012

Education: PhD in business management studies in 1982 and doctorate in business management studies from the University of Zurich in 1985

Professional activity: Rudolf Huber worked in the financial department of various industrial companies, including from 1992 to 2004 as a member of the executive board and Chief Financial Officer of the Geberit group, Rapperswil-Jona. Today, he works as an independent business consultant and guest lecturer at the Business University of Lucerne and has a teaching position at the University of St. Gallen. Since 2006, he has been chairman of the CFO Forum Switzerland – CFOs.

Apart from his mandate at Swiss Prime Site AG, as at 31.12.2010 Rudolf Huber is chairman of the board of directors of Looser Holding AG, Arbon, and member of the board of directors of Georg Fischer Ltd, Schaffhausen, where he additionally acts as chairman of the audit committee. In addition, he is on the board of directors of several private companies, including Wicor Holding AG, Rapperswil-Jona, and Hoerbiger Holding AG, Zug.

**Mario F. Seris** (1955), Zurich

lic. phil. I

Non-executive member of the Board of Directors

Member since: 27.04.2005

Elected until: GM 2013

Education: Mario F. Seris graduated in English and Education from the University of Zurich in 1981.

Professional activity: Mario F. Seris was Global Head of Real Estate Asset Management at Credit Suisse AG from 2005 to 2010. From 1981 to 1997 he was in charge of various human resource divisions at Credit Suisse AG, in 1997 he was Global Head of Human Resources at Credit Suisse Asset Management and from 2002 Chief Operating Officer at Credit Suisse Asset Management, Switzerland. From late 2002 to 2005 he managed Credit Suisse Asset Management, Switzerland, as Chief Operating Officer and Chief Executive Officer.

In addition to his mandate at Swiss Prime Site AG, as at 31.12.2010 Mario F. Seris is a member of the board of directors of Credit Suisse Asset Management Funds AG, Zurich, of Credit Suisse (Guernsey) Ltd, St. Peter Port, Guernsey, and chairman of the board of directors of Credit Suisse Real Estate Fund International Holding AG, Zug. Furthermore, he is chairman of the supervisory board of Credit Suisse Asset Management Immobilien Kapitalanlagegesellschaft GmbH, Frankfurt am Main.

**Klaus R. Wecken** (1951), Bettingen

Non-executive member of the Board of Directors

Member since: 22.10.2009

Elected until: GM 2012

Education: Klaus R. Wecken graduated in Economics from the University of Freiburg in Breisgau.

Professional activity: From 1974 to 1997, Klaus R. Wecken was co-founder, partner and member of the board of directors of various companies in Germany and in Switzerland. From 1984, he was co-founder and chairman of KHK Software AG, Frankfurt am Main, which was sold to SAGE Group in 1997. From 1999 to 2009, he was co-founder and principal shareholder of Tivona AG, Basel, which was integrated into Jelvoli Holding Ltd, Zurich, in 2009. From 2001 to 2002, he was member of the board of directors of Jelvoli Holding Ltd, Zurich. From 2007 on, Klaus R. Wecken has built up more than 20 investments in the «DACH» region (Germany, Austria, Switzerland), with the focal point on the internet and medical technology.

In addition to his mandate at Swiss Prime Site AG, as at 31.12.2010 Klaus R. Wecken is a member of the supervisory/advisory boards of many of his investment companies.

**Peter Wullschleger** (1965), Oftringen

Secretary to the Board of Directors

(not member of the Board of Directors)

In this function since: 11.05.1999

Education: Swiss certified accountant since 1992

Professional activity: Peter Wullschleger is Chief Financial Officer of Swiss Prime Site and Head of Finance & Controlling of Real Estate Asset Management, Credit Suisse AG, Zurich (Managing Director). He began his career with Credit Suisse AG in the finance and controlling department in 1986. Prior to that, he was head accountant at Devo AG in Olten. He successfully completed his commercial education at Ritex AG, Zofingen.

As at 31.12.2010, Peter Wullschleger holds a seat on the board of directors of the following companies of Swiss Prime Site Group: SPS Immobilien AG, Olten, SPS Beteiligungen Alpha AG, Olten, SPS Beteiligungen Beta AG, Olten, SPS Beteiligungen Gamma AG, Olten, Jelvoli EKZ AG, Olten, Jelvoli Immobilien AG, Olten, Tivona 009 AG, Olten,

Jelmoli Ltd, Zurich, Jelmoli International B.V., Amsterdam (NL), GLPH SA, Lancy, and Ensemble artisanal et commercial de Riantbosson S.A. (EACR), Frauenfeld. He is also member of the board of directors of City Markt Aarau AG in Aarau. He is representative of the board of trustees of the supplementary pension fund foundation of Arthur Frey AG, Olten, and member of the board of trustees of the personnel pension fund foundation of Arthur Frey AG, Olten, as well as member of the welfare foundation of Jelmoli S.A., Zurich, and the pension fund foundation of Jelmoli, Zurich.

All members of the Board of Directors are Swiss nationals, except for Klaus R. Wecken (German national). The Board of Directors consists entirely of non-executive members who have not served on the Management Board of Swiss Prime Site AG or another group company for the past three years. With the exception of the business relationship as reported (see management contract and Note 32 «Transactions with related parties»), the Company has no other significant business relations with Credit Suisse AG.

#### **Retirements during the reporting period**

None

#### **Elections and period of office**

After expiry of the personal period of office (maximum three years), the member must be re-elected by the Annual General Meeting. The aim is to progressively re-elect the members of the Board of Directors.

Members of the Board of Directors shall submit their resignation at the ordinary Annual General Meeting in the year in which they reach the age of 65.

#### **Regulation of the powers and duties of the Board of Directors**

The Board of Directors is responsible for the general management of the Company and the supervision and monitoring of the Management Board. The Board of Directors makes the fundamental decisions that determine the activity of the Company. Within the framework of its activities, the Board of Directors ensures a profit-focused and competent management of the Company by its Management Board according to the provisions of the articles of association, the regulations and the applicable legislation.

The Board of Directors acts as a joint body. If needed, it can form committees from among its members and allocate powers to these committees in separate sets of regulations or by amending the existing organisational regulations.

The Board of Directors acts as a collective body. Unless otherwise provided in the resolutions of the Board of Directors and the organisational regulations, its members shall have no personal authority over the Company, and for this reason cannot issue any instructions of their own accord.

The Board of Directors is responsible for the general management, the supervision and monitoring of the Company's Management Board. It issues directives on the business and investment policy and keeps itself regularly informed of the business progress.

The Board of Directors delegates all executive management activities to the Management Board unless otherwise provided by law, the articles of association or the organisational regulations.

The Board of Directors can delegate the preparation and performance of its resolutions or the monitoring of transactions, to one or more committees, or individual members or the Management Board. It shall ensure appropriate reporting to its members.

The Board of Directors can entrust executive management tasks to third parties on a contractual basis.

During the reporting year, six meetings and one conference call of the Board of Directors took place.

On the basis of the organisational regulations, the Board of Directors currently has three committees (Audit Committee, Compensation Committee and Investment Committee) that are described in detail in the following sections.

## AUDIT COMMITTEE

The functions, duties and powers of the Audit Committee are set out in separate rules and essentially comprise the following fields:

Monitoring the management of Swiss Prime Site AG with respect to financial reporting, compliance with legislation, requirements, internal rules and guidelines and with respect to risk management as well as monitoring external corporate activities.

Monitoring and assessing the independence and the work, auditing costs, extent of audit and the results of the external auditors, the quality, implementation and disclosure of the accounting principles and the suitability of the financial control mechanisms.

Monitoring and assessing the independence and work of the valuation experts and the valuation principles.

During the reporting year, five meetings and two conference calls of the Audit Committee took place.

Every year, at least one meeting with the external auditors is held. On the basis of this meeting, the Audit Committee forms an in-depth picture of the activities of the auditors and informs the Board of Directors about its findings.

The Audit Committee acts as a joint and collective body. Its members have no personal authority over the Company, and for this reason cannot issue instructions of their own accord. The Audit Committee has a right of proposal towards the Board of Directors.

The Audit Committee reports regularly to the Board of Directors about its activities and submits the necessary proposals.

The Audit Committee comprised the following members:

Rudolf Huber, chairman  
Christopher M. Chambers, member  
Bernhard M. Hammer, member  
Mario F. Seris, member

## COMPENSATION COMMITTEE

The functions, duties and powers of the Compensation Committee are set out in separate rules and essentially comprise the following fields:

Preparing the guidelines and proposals for the compensation payable to the Board of Directors and its committees, to the Management Board, the real estate asset manager, the facility managers, related persons and the external valuation experts.

The Compensation Committee monitors compliance with the compensation principles determined by the Board of Directors, the Committee itself and the Management Board.

The Compensation Committee acts as a joint and collective body. Its members have no personal authority over the Company, and for this reason cannot issue instructions of their own accord. The Compensation Committee has the right to submit proposals to the entire Board of Directors.

During the reporting year, three meetings and one conference call of the Compensation Committee took place.

The Compensation Committee reports regularly to the Board of Directors about its activities and submits the necessary proposals.

The Compensation Committee comprised the following members:

Thomas Wetzel, chairman  
Mario F. Seris, member  
Hans Peter Wehrli, member

## INVESTMENT COMMITTEE

The functions, duties and powers of the Investment Committee are defined in the investment regulations and include the following main tasks:

Monitoring compliance with the investment guidelines defined in the investment regulations.

The Investment Committee reviews the acquisition and divestment of real estate and submits the proposal for the purchase or sale of the properties to the Management Board and the Board of Directors.

The Investment Committee exercises its powers as a joint and collective body. Its members have no personal authority over the Company, and for this reason cannot issue instructions of their own accord. The Investment Committee has the right to submit proposals to the Management Board or the Board of Directors.

During the reporting year, five meetings of the Investment Committee took place.

The Investment Committee reports on its activities to the Board of Directors and the Management Board and submits the necessary proposals.

The Investment Committee comprised the following members:

Markus Graf, chairman  
Bernhard M. Hammer, member  
Klaus R. Wecken, member  
Thomas Wetzel, member

## MANAGEMENT BOARD

**Markus Graf** (1949), Feldbrunnen  
Member of the Management Board  
Chief Executive Officer

In this function since: 01.12.2000

Education: graduated as HTL/STV architect

Professional activity: After holding management positions with several construction and real estate companies, Markus Graf accepted a managerial position with Credit Suisse AG, Real Estate Asset Management, Zurich, in 1995 (Managing Director). Since 01.12.2000 he has been Chief Executive Officer of Swiss Prime Site.

Markus Graf is the chairman of the board of directors of the following companies of the Swiss Prime Site Group: SPS Immobilien AG, Olten, SPS Beteiligungen Alpha AG, Olten, SPS Beteiligungen Beta AG, Olten, SPS Beteiligungen Gamma AG, Olten, Jelmoli EKZ AG, Olten, Tivona 009 AG, Olten, Jelmoli Ltd, Zurich, GLPH SA, Lancy, and Jelmoli International B.V., Amsterdam (NL). He also holds seats on the boards of directors of Wincasa AG, Winterthur, and Société Internationale de Placements SA, Basel, and he is a member of the board of directors of Credit Suisse Asset Management Immobilien Kapitalanlagegesellschaft mbH, Frankfurt am Main. In addition, he is a member of the board of trustees of Credit Suisse Investment Foundation, Zurich.

He has been chairman of the expert's committee on real estate funds of the Swiss Funds Association since 2002. In addition, he is an advisor at CUREM (Center for Urban & Real Estate Management), Zurich.

**Peter Wullschleger** (1965), Oftringen  
Member of the Management Board  
Chief Financial Officer

In this function since: 11.05.1999

Education: Swiss certified accountant since 1992

Professional activity: Peter Wullschleger is Chief Financial Officer of Swiss Prime Site AG and Head Finance & Controlling of Real Estate Asset Management, Credit Suisse AG, Zurich (Managing Director). He began his career with Credit Suisse AG in the finance and controlling department in 1986. Prior to that, he was head accountant at Devo AG in Olten. He successfully completed his commercial education at Ritex AG, Zofingen.

As at 31.12.2010, Peter Wullschleger holds a seat on the board of directors of the following companies of the Swiss Prime Site Group: SPS Immobilien AG, Olten, SPS Beteiligungen Alpha AG, Olten, SPS Beteiligungen Beta AG, Olten, SPS Beteiligungen Gamma AG, Olten, Jelmoli EKZ AG, Olten, Jelmoli Immobilien Ltd, Olten, Tivona 009 AG, Olten, Jelmoli Ltd, Zurich, Jelmoli International B.V., Amsterdam (NL), GLPH SA, Lancy, and Ensemble artisanal et commercial de Riantbosson S.A. (EACR), Frauenfeld. He is also member of the board of directors of City Markt Aarau AG in Aarau. Peter Wullschleger is representative of the board of trustees of the supplementary pension fund foundation of Arthur Frey AG, Olten, and member of the board of trustees of the personnel pension fund foundation of Arthur Frey AG, Olten, as well as member of the welfare foundation of Jelmoli S.A., Zurich, and the pension fund foundation of Jelmoli, Zurich.

**Peter Lehmann** (1958), Wilen bei Wollerau  
 Member of the Management Board  
 Chief Investment Officer

In this function since: 01.03.2002

Education: graduated as construction planner from GIB Solothurn in 1978

Professional activity: Peter Lehmann has been with Credit Suisse AG, Real Estate Asset Management, Zurich, since 1991 where he headed the departments of construction and acquisition Switzerland for real estate products of Credit Suisse AG. Since 2002, he has been Chief Investment Officer of Swiss Prime Site. From 2004 to 2009, he headed the development department of Real Estate Asset Management (Managing Director) and, today, he is senior advisor real estate. Prior to his position within Credit Suisse AG, he was regional manager of constructions for the funds management of «Schweizerische Volksbank» and architectural project manager at W. Thommen AG, Trimbach.

As at 31.12.2010, Peter Lehmann holds a seat on the board of directors of the following companies of the Swiss Prime Site Group: SPS Immobilien AG, Olten, SPS Beteiligungen Alpha AG, Olten, SPS Beteiligungen Beta AG, Olten, SPS Beteiligungen Gamma AG, Olten, Jelmoli EKZ AG, Olten, Jelmoli Immobilien Ltd, Olten, Tivona 009 AG, Olten, Jelmoli Ltd, Zurich, Jelmoli International B.V., Amsterdam (NL), and GLPH SA, Lancy.

**Hanspeter Grüninger** (1953), Bülach  
 Member of the Management Board  
 Chief Executive Officer of Jelmoli – The House of Brands (since 01.10.2008)

In this function since: 01.04.2010

Education: various studies in the field of commercial business

Professional activity: Hanspeter Grüninger has been Chief Executive Officer of Jelmoli – The House of Brands in Zurich since October 2008 as well as a member of the Management Board of Swiss Prime Site since 01.04.2010. Previously, he worked for ten years at Coop Group, with the last held position as head of the department marketing. He was with Jelmoli Group for 15 years, with the last held position as director and division head of fashion, sporting goods and various specialty businesses. Prior to the renewed switch to Jelmoli Group, he worked for eight years as CEO of the Beldona lingerie chain stores.

Hanspeter Grüninger does not hold any seats on boards of directors.

All members of the Management Board are Swiss nationals.

## PRINCIPLES OF THE DISTRIBUTION OF POWERS BETWEEN THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD

The basic principles and the separation of functions and powers between the Board of Directors and the Management Board are regulated in detail in the organisation and competence regulations.

The Board of Directors is responsible for the general management, the supervision and monitoring of the Company's Management Board. It issues directives on the business and investment policy and keeps itself regularly informed of the business progress.

The Management Board is responsible for the operational management of the Company and represents the Company relative to third parties. As representative of the Management Board, the Chief Financial Officer also participates in the meetings of the Audit Committee and the Compensation Committee. In addition, the external auditors participate in the Audit Committee meeting in spring.

Members of the Management Board are invited to attend the meetings of the Board of Directors.

## ARRANGEMENT OF THE INFORMATION AND CONTROL INSTRUMENTS APPLIED TO THE MANAGEMENT BOARD

The Management Board informs the Board of Directors regularly (at least quarterly) in detail on the course of business by means of a standardised reporting system. By means of this reporting system, the Board of Directors can monitor the Management Board and its actions. The Audit Committee, the Compensation Committee and the Investment Committee report to the Board of Directors regarding their activities during the regular meetings.

## COMPENSATION, INVESTMENTS AND LOANS TO MEMBERS OF THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD

### Basic fees for members of the Board of Directors

Function	Basic fee since 2010 in CHF 1 000	Basic fee until 2009 in CHF 1 000	Expense allowance in CHF 1 000
Chairman of the Board of Directors	250	150	3
Vice-chairman of the Board of Directors	125	75	3
Member of the Board of Directors	110	60	3
Secretary to the Board of Directors	15	15	3
Chairman of the Audit Committee	30	15	3
Member of the Audit Committee	20	15	3
Chairman of the Compensation Committee	20	10	3
Member of the Compensation Committee	15	10	3
Member of the Investment Committee	20	15	5

The members of the Board of Directors receive one half of their basic fee in cash and one half in shares of Swiss Prime Site AG. There are no further participation programmes.

The shares are allocated at the end of the financial year, on the basis of the market price at the beginning of the financial year, less a 10% discount. The delivered shares remain blocked for a period of four years.

The fee for the same function within the group of companies is paid only once.

In the case of multiple functions, a maximum lump sum for expenses of CHF 0.006 million is paid.

The basic fees are proposed by the Compensation Committee and adopted by the Board of Directors.

No separate basic fees/salaries are paid in respect of the activity of the persons who serve as members of the Management Board if they are employed by the asset manager because their compensation is included in the management fee. One member of the Management Board sits on the Investment Committee and another member of the Management Board also serves as secretary to the Board of Directors.

Further information about fees and shareholdings of the Board of Directors, the Management Board and members of the committees can be found in Note 32 «Transactions with related parties» and in Note 9 of the individual financial statements of Swiss Prime Site AG «Compensation, investments and loans to members of the Board of Directors and the Management Board».

### Options

There are no options outstanding or allocated.

**Additional fees and compensation**

This information can be found in the individual financial statements of Swiss Prime Site AG in Note 9 «Compensation, investments and loans to members of the Board of Directors and the Management Board». No additional fees were paid in 2010.

**Loans to governing bodies**

There are currently no outstanding loans to governing bodies.

## SHAREHOLDER PARTICIPATION RIGHTS

The current articles of association can be found on the homepage at [www.swiss-prime-site.ch](http://www.swiss-prime-site.ch) under the heading Company/Corporate Governance. The following are references to selected articles:

- Share register and registration provisions (Article 5)
- Powers of General Meeting (Article 8)
- Convening/agenda of the General Meeting (Article 10)
- Voting rights and adoption of resolutions (Article 12)
- Special quorums (Article 13)

## CHANGE OF CONTROL AND DEFENCE MEASURES

Anyone who directly, indirectly or in joint agreement with third parties acquires shares and, together with the shares already in their possession, exceeds the limit of 33⅓% of the voting rights, whether exercisable or not, must submit an offer for all listed shares of the Company. There are no other provisions, agreements or plans.

## STATUTORY AUDITOR

**Duration of the mandate and period of office of the auditor in charge**

Since the Company was founded (1999), the statutory auditor of Swiss Prime Site has been KPMG Ltd, Badenerstrasse 172, 8004 Zurich. KPMG Ltd also acts as independent auditor for all fully consolidated Swiss subsidiaries. The auditors are elected each year by the Annual General Meeting.

The auditor in charge has been in this role since 01.01.2007. The auditor's period of office will end in the financial year 2013 (subject to re-election).

**Fee**

For the current reporting period, audit fees in the amount of CHF 0.946 million and CHF 0.005 million for the nominal value reduction carried out in July 2010 have been invoiced. Swiss Prime Site expects the total costs for the regular audit for the 2010 financial year including the restructuring to amount to CHF 1.013 million.

## MANAGEMENT CONTRACTS

Swiss Prime Site transferred the asset management functions to Credit Suisse AG, Real Estate Asset Management, Zurich. All details are regulated in the management contract dated August 2001. The contract was extended in November 2007 by ten years and can be terminated in writing with a notice period of 12 months, but not earlier than 31.12.2017. The parties are also entitled to terminate this contract at any time with immediate effect if there is good cause to do so.

### Principle

Swiss Prime Site mandates Credit Suisse AG to implement, monitor and supervise the financial matters of the Company, as well as the administrative and technical administration and the controlling of the properties. Credit Suisse AG assists, advises, prepares proposals and handles the real estate within the framework of the investment regulations of Swiss Prime Site.

### Management fee (basic compensation)

Per year 0.22–0.33% of total assets (total of all valued consolidated assets, at the beginning of each quarter):

	in CHF bn	in %
Share of total assets	up to 1.5	0.33
Next share of total assets	up to 3.0	0.31
Next share of total assets	from 3.0	0.25
Next share of total assets	from 4.5	0.22

### Construction management fee (building trustee, owner representation)

The construction management fee is 2.00% of the respective total construction costs (construction of buildings, comprehensive renovations and conversions).

### Purchase and sales commission

1.50–5.00% of the purchase or sales price (without purchase/sales costs) of each property acquired, contributed or sold by Swiss Prime Site:

	in CHF m	in %
Purchase and sales price	under 1.0	5.00
Purchase and sales price	under 3.0	3.00
Purchase and sales price	from 3.0	1.50

For large transactions, for example, purchases of blocks of properties or company acquisitions, the parties will reach a separate compensation agreement.

Compensation paid to the asset manager is listed in Note 32 «Transactions with related parties».

## INFORMATION POLICY

### Frequency

The Company publishes a semi-annual newsletter with information about the events of the preceding six months. The financial reporting is done in the form of semi-annual and annual reports, complemented by quarterly press releases of selected key figures, in compliance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB).

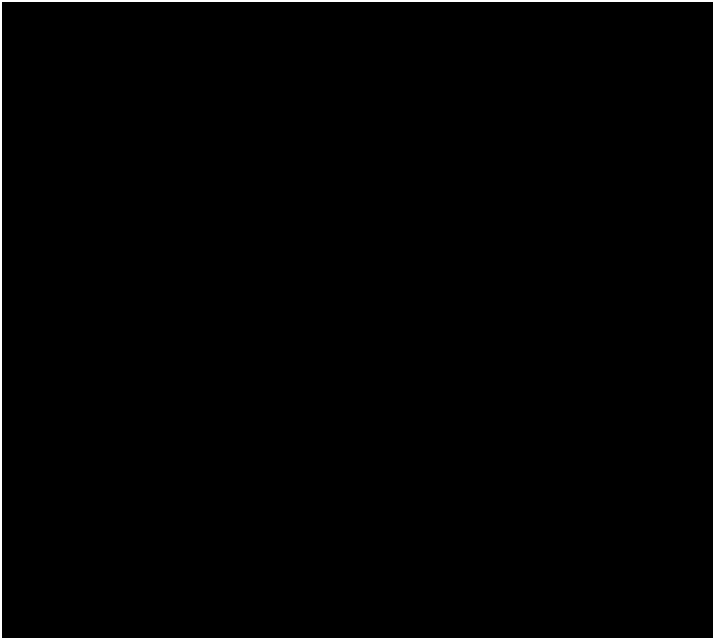
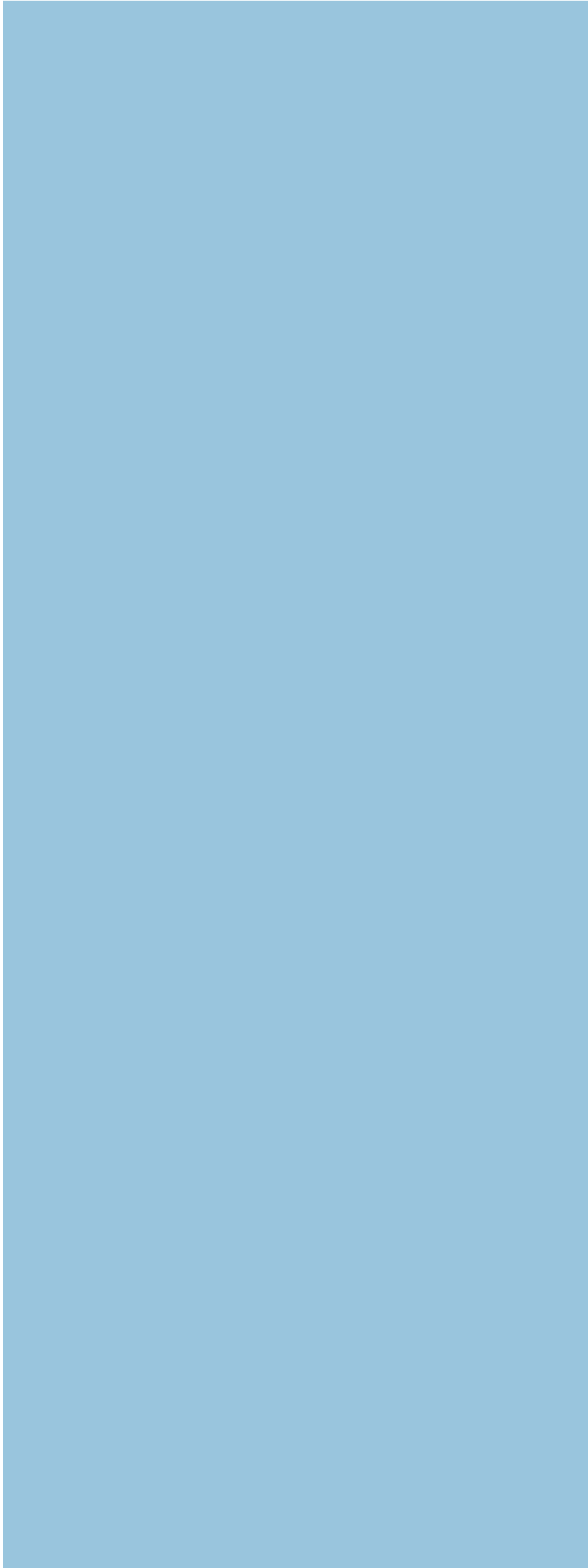
### Other information media

Further information about the Company can be found on the website [www.swiss-prime-site.ch](http://www.swiss-prime-site.ch).

## SIGNIFICANT CHANGES SINCE THE BALANCE SHEET DATE

Jelmoli Holding Ltd divested its interest in Athris Holding Ltd through a spin-off in March 2009 – i.e. still prior to the acquisition by Swiss Prime Site. Prior to this spin-off, Jelmoli incorporated among other things an Algerian investment through a contribution in kind in Athris Holding Ltd. After the acquisition of Jelmoli Group by Swiss Prime Site there was a difference in legal opinion regarding whether the transaction was carried out rightfully according to Algerian law. Swiss Prime Site acquired ownership of the Algerian investment in February 2011 in the context of a settlement. In economic terms, this investment is worth less than CHF 10 million and has no significant influence on the consolidated financial statements.

No other significant changes have taken place since the balance sheet date.





# Sustainability report

## SUSTAINABILITY REPORT

### Swiss Prime Site principles

As a company that invests in real estate and hence pursues a long-term investment strategy, Swiss Prime Site has been focusing on sustainability since its foundation in 1999. Real estate is generally purchased or developed in order to maintain and continuously adapt the properties to market needs. Swiss Prime Site perceives sustainability as an obligation that it lives up to at the strategic as well as operational levels. At the same time, the Company is also guided by a multidimensional approach to sustainability.

In economic terms, Swiss Prime Site strives for boosting enterprise value over the long term and achieving an attractive return for its shareholders. The most significant indicators for success are the performance of the real estate portfolio and the returns.

Swiss Prime Site fulfills the social requirements through taking responsibility of a property over its entire life cycle – from evaluation of the location and property to market-oriented utilisation, including demolition or sale of the real estate. The most important stakeholders comprise the tenants as well as people who spend their time primarily working or shopping in Swiss Prime Site properties on a daily basis.

In terms of the ecological aspects, Swiss Prime Site is committed to conserving resources, minimising pollutant emissions and boosting energy efficiency. The portfolio of existing real estate holdings is subject to review regarding economically practical ecological improvements on an ongoing basis. Significant emphasis is placed on optimising the energy efficiency and enhancing the ecological balance when renovating, modernising and converting properties. New real estate projects are only constructed when they meet comprehensive sustainability criteria.

Internationally active firms, in particular, tend to increasingly incorporate the utilisation and management of a building's floor space into their own company-specific sustainability principles. Such firms aim to only lease floor space in buildings that are designed in accordance with sustainability standards. Labels are increasingly being enlisted as a means of verifying such sustainability.

### Labels

The number of labels that define, measure and certify the sustainability standards of buildings has increased considerably in recent years. These labels can be roughly divided into two categories: first-generation labels – such as the popular MINERGIE label in Switzerland – only assess the ecological, energy-relevant technical dimensions of sustainability. Second-generation labels also include the economic and social dimensions in the assessment of sustainability. Among these more comprehensive labels are the USA-based LEED (Leadership in Environmental and Energy Design), as well as the DGNB Certificate (German Sustainable Building Council).

While MINERGIE specifies absolute criteria for the certification process, LEED employs a relative point system that facilitates international comparability. The number of buildings in Switzerland certified according to the MINERGIE standard amounts to around 19 000, of which more than 90% are residential properties, including many single-family houses. Roughly 29 000 buildings, or parts thereof, have been certified according to the LEED standard worldwide to date (as of October 2010), of which 70% are larger properties with commercial use.

## LEED IS FORGING AHEAD

Although the number of LEED-certified buildings in Switzerland is still low, signs are emerging that this label will most likely prevail at the international level. The first LEED pilot project programme (LEED version 1.0) was developed by the non-profit organisation U.S. Green Building Council (USGBC) in 1998. Among the roughly 18 000 USGBC members are various players in the real estate industry – ranging from investors and project developers to architects and construction firms, and even tenants.

There are various certificates available, according to the type or volume of the project or use of the property, for example:

LEED-NC	LEED for New Construction and Major Renovations
LEED-EB	LEED for Existing Buildings: Operations & Maintenance
LEED-CS	LEED for Core & Shell

LEED-CI	LEED for Commercial Interiors
LEED-Retail	LEED for Retail (retail floor space and shopping centres)
LEED-Homes	LEED for Homes (up to four storeys)
LEED-Schools	LEED for Schools
LEED-ND	LEED for Neighbourhood Development

LEED defines the criteria that are assessed with regard to their sustainability, using a relative point system that is specifically based on a reference building.

LEED assesses and evaluates the buildings on a comprehensive basis, including their location. Sustainability is taken into consideration for the entire life cycle of a property, for example, consisting of recyclability and biodegradability of construction materials, use of environmentally friendly paints, adhesives and sealants, spatial lighting with natural daylight, reduction of water consumption, or decreased light pollution.

These criteria are being further developed and adapted to meet new requirements through revisions (currently version 3.0), for specific building types, or according to the trend in technology, as well as the internationalisation of the label beyond the USA.

Criteria	Maximum points
Sustainable sites	26
Water efficiency	10
Energy and atmosphere	35
Materials and resources	14
Indoor environmental quality	15
Innovation in design	6
Regional priority (special criteria)	4
<b>Total maximum points</b>	<b>110</b>

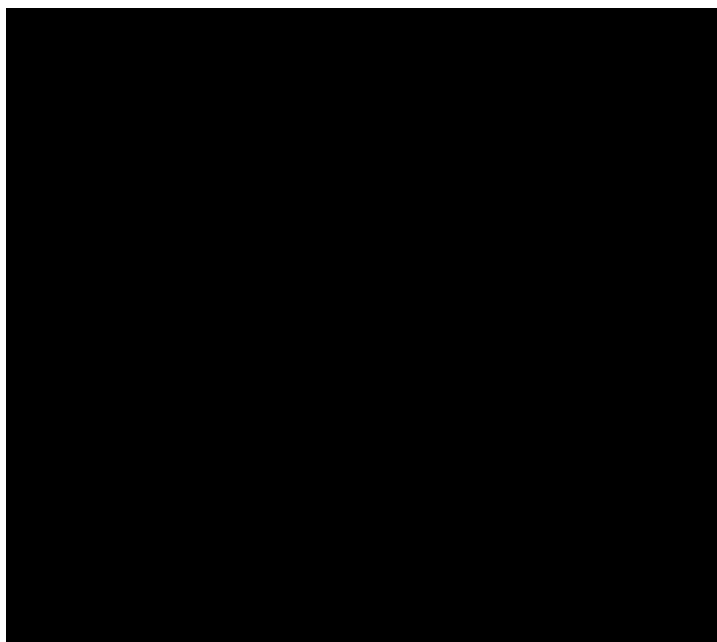
Certification categories	Points
Certified	40–49
Silver	50–59
Gold	60–79
Platinum	from 80

Source: LEED for New Construction and Major Renovations, [www.usgbc.org](http://www.usgbc.org), as of October 2010

## LEED CERTIFICATION OF PRIME TOWER

Swiss Prime Site decided in 2009 to have Prime Tower certified according to the LEED label. With a LEED certification, the Company thus complies with the fast-growing segment of companies and institutions that aim, or are obliged, to only lease space in certified buildings. This trend is exemplified well by Deutsche Bank (Switzerland) Ltd, which announced in December 2010 that it would be leasing more than 5 000 m<sup>2</sup> of office space in Prime Tower for providing services to its high-net-worth private clients. The bank's decision was based explicitly on the building's above-average sustainability standards, in addition to the LEED certification.

Since sustainable buildings generally also incur lower service charges, there are no financial disadvantages whatsoever for tenants. For owners, the additional expenditure pays off because the demand for floor space in sustainable buildings is growing at an above-average rate, and such properties are more highly valued.





# Valuation expert's report

## VALUATION EXPERT'S REPORT BY WÜEST & PARTNER AG, ZÜRICH

The properties of Swiss Prime Site are valued by Wüest & Partner AG on a half-yearly basis at their current fair values. The present valuation is valid as at 31.12.2010.

### Valuation standards and principles

Wüest & Partner AG values the properties according to the principle of fair value, i.e. the derived fair value is defined as the sales price that could most probably be realised on the free market under fair conditions between well-informed parties at the time of valuation (IFRS/IAS 40). Extremely high and extremely low positions are therefore eliminated. Properties under construction and development sites designed for future use as investment properties are valued at project fair values, taking into account current market conditions, still outstanding investment costs and a risk premium according to the progress of the project (IFRS/IAS 40).

The valuation guarantees a high degree of transparency, uniformity, relevance and completeness. The relevant legal provisions, as well as the specific national and international standards, are complied with (i.e. regulations for real estate companies listed on SIX, IFRS and others). In order to ensure an independent valuation and thus the highest possible degree of objectivity, the business activity of Wüest & Partner AG excludes both trading and related transactions on a commission basis, as well as the management of properties. The valuation principles are always based on the most recent information available regarding the properties and the real estate market. Data and documentation relating to the properties are provided by the owner and presumed to be accurate. All real estate market data stem from the data bases maintained by Wüest & Partner AG (Immo-Monitoring 2010), which are updated on an ongoing basis.

### Valuation method

Investment properties are generally valued by Wüest & Partner AG according to the discounted cash flow method, which corresponds to international standards and is also used in company valuations. The method is recognised – within the scope of general freedom of choice of method for real estate valuations – in the context of best practice. According to the discounted cash flow method, the fair value of a property is determined through deriving the sum of all future estimated net earnings (before interest, taxes, depreciation and amortisation = EBITDA) and discounting to the present, taking into consideration investments or future repair costs. The net earnings (EBITDA) per property are individually discounted in dependence of any relevant opportunities and threats, adjusting for the current market situation and risks. A detailed report for each property discloses all expected cash flows, thus creating the greatest degree of transparency possible. In the report, attention is drawn to substantial changes compared with the previous valuation.

### Development of the property portfolio

The reporting period from 01.01. to 31.12.2010 was marked by the strategic restructuring of the portfolio. Within the scope of this restructuring process, several properties were divested that did not meet the desired investment criteria. Consequently, Swiss Prime Site Group's real estate portfolio decreased in size by a total of 33 properties. Specifically, 20 smaller and 8 medium-sized properties, as well as 5 properties with a fair value of more than CHF 20 million were divested during the reporting period. No further acquisitions were carried out during the same reporting period. As a result, the portfolio holdings decreased in size by a total of 32\* properties to a current total of 198 properties.

The consolidated overall portfolio comprises 181 existing investment properties, 13 plots of building land and 4 current development sites: Maag in Zurich (Prime Tower, Platform and Maaghof) and Stücki in Basel (Business Park 60A–E).

The real estate divested included the properties located at Pra-Mathaux 141 in Montévrax, Moosgasse 24 in Sursee, Avenue de Tourbillon 47 in Sion, Hauptstrasse 21 in Frick, Neue Aarburgerstrasse 2 in Rothrist, Zentralstrasse 36/Plänkestrasse 39 in Biel, Chemin de la Bichette in Vich, Kriegstettenstrasse 14 in Gerlafingen, St. Gallerstrasse in Goldach, Tribschenstrasse 54 in Lucerne, Rue du Simplon 11 in Vevey, Tribschenstrasse 56, 60 in Lucerne, Rue Pierre-Pequignat 7 in Porrentruy, Kriegstettenstrasse 14/petrol station in Gerlafingen, Zweierstrasse 25 in Zurich, Parking Nordhaus in Zurich, Avenue Adrien-Jeandin 4 in Thônex, Via Campagna 1 in Giubiasco, Zeughausgasse 22 in St. Gallen, Salinenstrasse 54/Grüssen II in Pratteln, Baslerstrasse 37/Ringstrasse 1 in Olten, Avenue du Casino 51 in Montreux, Freilagerstrasse 39 in Zurich, Mellingerstrasse 208 in Dättwil, Route de Pré-Bois 16 in Geneva Airport, Steinenvorstadt

\* The Zurich property, Hardstrasse 219/Maaghof & Event, was divided into an existing property Zurich, Hardstrasse 219/Eventblock Maag, and a project Zurich, Hardstrasse/Maaghof.

67 in Basel, Freischützgasse 14 in Zurich, Birmensdorferstrasse 20/Grüngasse 2 in Zurich, Reitergasse 9, 11 in Zurich, Route du Petit-Moncor 1, 1a, 1b in Villars-sur-Glâne, Dörflistrasse 120 in Zurich, Bernstrasse 160–164 in Zollikofen and Geissensteinring 45/Tribschenstrasse 60 in Lucerne. The overall sales price for the 33 divested properties amounted to 2.6% more than the total fair value of CHF 339.4 million reported as at 31.12.2009. The sales took place on the open market at the prevailing market conditions.

The development of the construction project on the Maag site in Zurich achieved another milestone with the topping-out ceremony of Prime Tower on 07.07.2010, as well as additional important construction phases with completion of work on the building shell and the start-up of build-out activities. Work on both projects – Prime Tower and the annex buildings, in addition to Platform – is continuing to forge ahead according to plan. The deadline for completion is still set for mid-2011.

The building application for the third development area at the Maag site – the Maaghof project – has been submitted and the corresponding planning is underway. The Stücki Business Park 60A–E project is on the verge of final completion of phase A–B, which is expected in August 2011. These development projects have been subject to valuation at fair value on a quarterly basis since 01.01.2009, taking into account the risks associated with planning, production and leasing.

A total of 13 transactions were carried out with related parties during the reporting period, with the divestments of properties located at Mellingerstrasse 208 in Dättwil, Hauptstrasse 21 in Frick, Kriegstettenstrasse 14 in Gerlafingen, Kriegstettenstrasse 14/petrol station in Gerlafingen, Geissensteinring 45/Tribschenstrasse 60 in Lucerne, Tribschenstrasse 54 in Lucerne, Tribschenstrasse 56, 60 in Lucerne, Zeughausgasse 22 in St. Gallen, Bernstrasse 160–164 in Zollikofen, Dörflistrasse 120 in Zurich, Freischützgasse 14 in Zurich, Parking Nordhaus in Zurich and Reitergasse 9, 11 in Zurich to Credit Suisse Investment Foundation, Zurich – Real Estate Switzerland as well as Real Estate Switzerland Commercial.

#### **Valuation results as at 31.12.2010**

As at 31.12.2010, the fair value of the Swiss Prime Site Group's overall portfolio (total 198 properties) amounted to CHF 8 020.3 million. The fair value of the portfolio therefore decreased by CHF 61.3 million compared with the level at 31.12.2009, meaning that the portfolio value diminished by 0.8%. The decline consists of value changes and investments in projects at the Stücki site in Basel (CHF +15.8 million) as well as the Maag site in Zurich (CHF +167.3 million), value changes (including renovations/investments) in existing properties (CHF +95.4 million) and the plots of building land (CHF –0.4 million), in addition to the aforementioned sales (CHF –339.4 million).

The value change in existing properties is therefore 1.3% compared with 01.01.2010.

Of the 181 properties – excluding new purchases (0), building land plots (13), development properties Maag and Stücki sites (4), a total of 17 properties – 133 properties were valued higher than at 01.01.2010, 47 properties were valued lower, while the value of 1 property remained unchanged.

While the commercial property market had trended on the rather sluggish side in the past, the demand for retail and office floor space in very good locations remains intact. Generally stable growth in sales in the retail sector, with a considerable boost in the fourth quarter of 2010 – especially at advantageously situated and heavily frequented locations – constitute important factors for the positive performance of the portfolio. The persistently low interest rate environment forms the basis of the primary value driver – a factor that has led to robust, favourable performances in the Swiss real estate sector in the current transaction market.

It is becoming increasingly apparent that properties with unfavourable locations or impaired quality aspects, in particular, are proving to be more difficult to lease, and the process is taking longer and longer even with competitively structured offers.

Additional factors affecting values include, among others, maintenance and investment measures taken (renovations), individual success in finding new tenants, sales trends at retail sites, and positive development of projects at the Maag site.

Value losses can be attributed primarily to changed rental potential, newly concluded contracts at a lower level, adjusted revenue forecasts and constant vacancies, or risk of vacancy, as well as in some cases higher cost estimates for future repair work.

### Outlook for the commercial property market

The Swiss commercial property market is expected to follow a rather stagnating trend in the coming months. The forecast calls for somewhat sluggish demand for office floor space against the backdrop of merely a slight spurt in growth in employment. At the same time, a change in preferences with regard to demand is noticeable as well, which is manifested in the current displacement and concentration of office property locations in new construction projects, while to the same extent floor space is becoming vacant in existing unfavourably situated properties. Amid the concurrent considerable expansion in supply of office floor space, this is consequently leading to a longer absorption period for the existing vacancies. A further slight decline in rents across Switzerland is therefore anticipated in the coming months. Rent prices for office floor space in the two key office market regions of Zurich and Lake Geneva, in particular, are likely to come under pressure in view of the projected new construction activity. Exceptions here include selected prime locations. Opportunities continue to remain intact in the retail property market due to structural changes and persistent competitive pressure. This is especially the case for well-frequented locations, in contrast to peripheral areas where a certain potential threat of price declines looms. However, the recent trend in consumer sentiment leads to assumptions that private consumption will at least continue to have an underpinning effect on demand in the retail sector and, in turn, for retail floor space as well.

On the other hand, real estate transaction prices are exhibiting a very stable trend, with properties in prime locations even showing a noticeably positive pattern. Aforementioned factors such as low interest rate levels, corresponding favourable financing terms and lack of alternative investment opportunities have a supportive effect on the transaction market.

Following the integration of Jelmoli Holding Ltd, Swiss Prime Site Group is focusing on the complete implementation of the strategic targets formulated in the run-up to the merger. The divestment of various properties in unattractive locations that do not conform to the investment objectives underscores the further implementation of this prime site strategy. The sharp focus on services and retail properties with a broadly diversified usage mix, as well as the concentration of resources on well-situated and central locations, are clear hallmarks of the Swiss Prime Site portfolio.

Zurich, 27.01.2011  
Wüest & Partner AG

Andreas Ammann  
Dipl. Arch. ETH/SIA  
Managing partner

Gino Fiorentin  
Dipl. Arch. HTL/MAS MTEC ETHZ  
Designated partner

## NOTES: VALUATION ASSUMPTIONS

### Valuation assumptions as at 31.12.2010

In addition to the previous comments on the valuation standards and methods, the most significant general valuation assumptions for the present valuations are presented in the following section.

### Investment properties including building land

The properties are fundamentally valued on a going-concern basis. The valuation is based on the current rental situation and the present condition of the property. Beyond the expiry of the existing rental agreements, the earnings forecast is based on the current market level.

On the cost side, the repair and maintenance costs as well as recurring property management costs are taken into account that are required to ensure realisation of sustainable income.

The valuation assumption is based on an average and expedient property management strategy. The specific scenarios of the owner are disregarded, or taken into account only to the extent that specific rental agreements had been made, or as far as they also seem plausible and practical to a third party, or do not deviate significantly in terms of the resulting fair value. Possible optimisation measures consistent with the market – such as an improved rental situation in future – are taken into account only insofar as they ensure the overall basic sustainability of the going-concern basis. The valuation does not take into consideration actual conversions, repositioning, modifications, conversions into condominiums and others.

The valuation or calculation period (discounted cash flow method) extends for 100 years from the valuation date. A more detailed cash flow forecast is prepared for the first ten years, while approximate annualised assumptions are made for the remainder of the term.

The valuation implicitly assumes an annual inflation rate of 1.0%. However, cash flows and discount rates are generally reported on a real basis in the valuation reports.

The specific indexing of the existing rental agreements is taken into account. Following expiry of the agreements, an average indexing rate of 80% is used for the calculation, and rents are adjusted to the market level once every five years. Payments are generally assumed to be made monthly in advance after expiry of the rental agreements.

At the operating cost (owner's cost) level, it is generally assumed that completely separate ancillary cost accounts are maintained, and that ancillary and operating costs are outsourced, insofar as this is permitted by law. Maintenance costs (repair and maintenance costs) are determined on the basis of benchmarks and model calculations. The residual lifetime of the individual parts of the buildings is determined on the basis of a rough estimate of their condition, the regular renewal is modelled and the resulting annual annuities calculated. The calculated values are subjected to a plausibility check based on benchmarks set by Wüest & Partner AG and figures for comparable properties. Repair costs are included in the calculation at 100% for the first ten years, while the earnings forecast takes into account where appropriate, possible increases in rent. From the 11<sup>th</sup> year, repair costs of up to 50 to 70% are allowed (value-preserving components only) without including possible rent increases. Costs for cleaning up contaminated sites are not quantified in the individual valuations and are to be considered separately by the Company.

The relevant discounting method is based on constant monitoring of the real estate market and is derived from models with plausibility checks, on the basis of a real interest rate that consists of the risk-free interest rate (long-term government bonds) plus general real-estate-related risks in addition to property-specific premiums. The risk is then adjusted for each property individually. The average real discount rate, weighted by fair value, applied to investment properties is 4.60% in the current valuation. Assuming an inflation rate of 1.0%, this rate corresponds to a nominal discount rate of 5.65%. The lowest real discount rate applied to a particular property is 3.6%, while the highest is 5.9%.

The valuation is based on the rental tables of the property managers as at 01.01.2011, as well as on floor space details provided by the Company and the property managers respectively.

Risks relating to credit ratings of individual tenants are not explicitly taken into account in the valuation since it is assumed that appropriate contractual safeguards were concluded.

#### **Properties under construction and development sites**

Properties under construction and development sites with projected use as investment properties have been valued and accounted for at fair value (IFRS/IAS 40) since 01.01.2009.

The planned or possible construction development as at the balance sheet date is therefore valued on the basis of the same assumptions and methods used for investment properties. To determine the current fair value as at the balance sheet date, the still outstanding investment costs are taken into account in the cash flows, and the additional risks are reported as a return premium on the discount rate. Information regarding projected construction work, schedules, building costs and future rentals is obtained from Swiss Prime Site AG insofar as it is specifically available (building permits, plans, cost calculations/investment applications, etc.) or appears to be plausible.

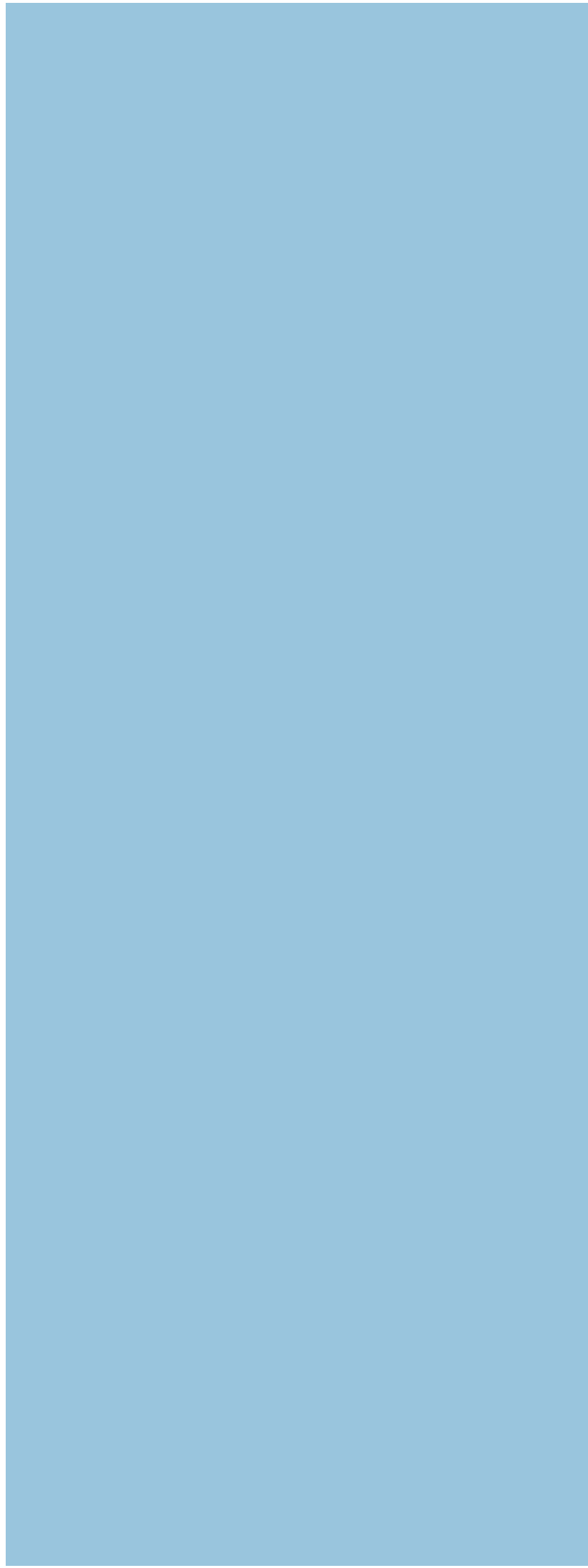
**Disclaimer**

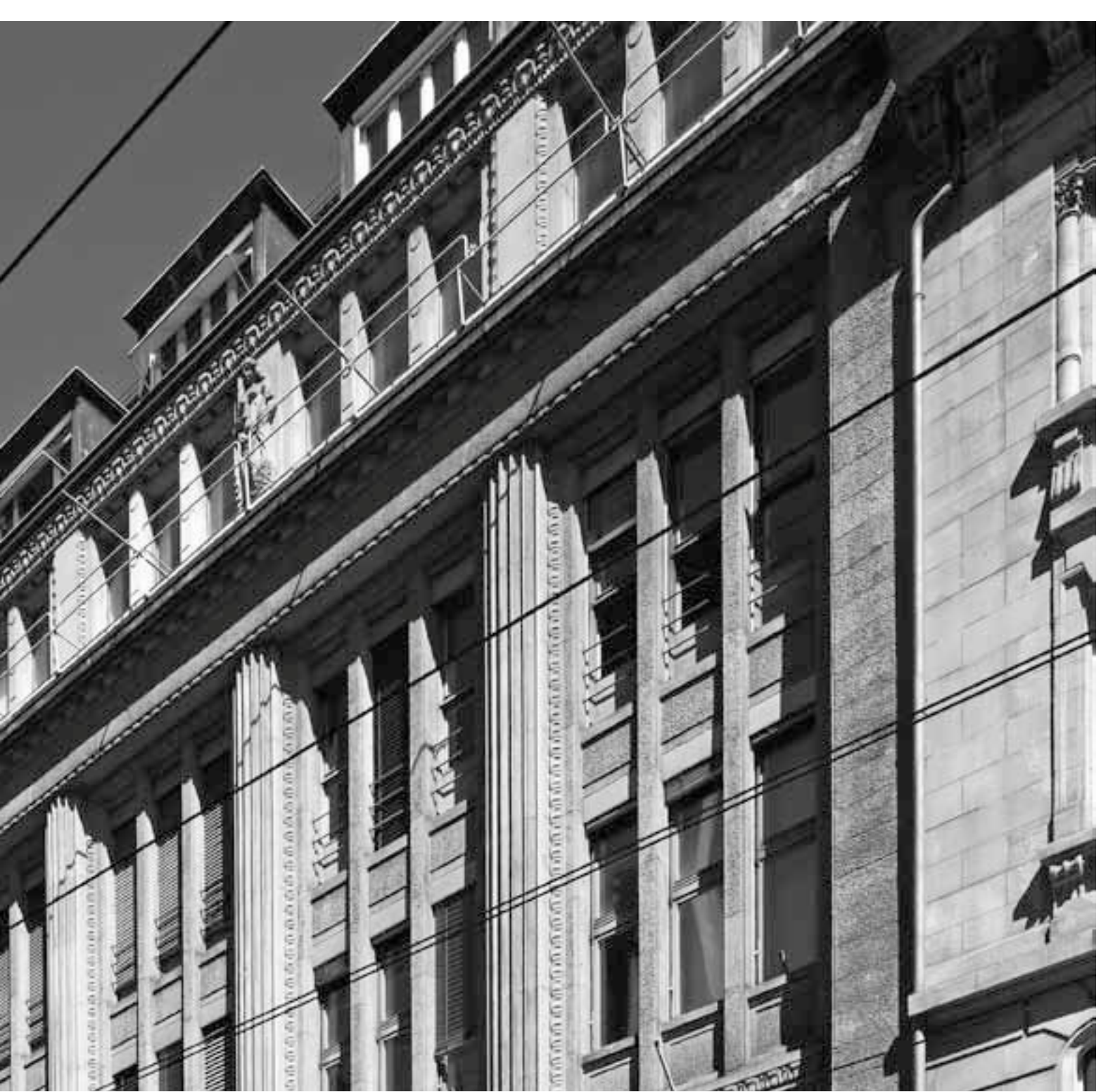
The valuations carried out by Wüest & Partner AG represent an economic assessment based on available information, most of which was provided by Swiss Prime Site AG. Wüest & Partner AG did not conduct or commission any legal, structural engineering or other specific clarifications. Wüest & Partner AG assumes that the information and documents received are accurate. However, no guarantee can be provided in this respect. Value and price may not be the same. Specific circumstances that influence the price cannot be taken into account when making a valuation. The valuation performed as at the reporting date is only valid at that specific point in time and may be affected by subsequent or yet unknown events, in which case a revaluation would be necessary.

Since the accuracy of valuation results cannot be guaranteed objectively, no liability can be derived from it for Wüest & Partner AG and/or the author.

Zurich, 27.01.2011







Financial commentary

## SIGNIFICANT EVENTS AND DEVELOPMENTS

### Swiss Prime Site in the financial year 2010

#### Solid economic environment

The Swiss economy continued to tread on the road to recovery in 2010, exhibiting a noticeable upswing with growth in gross domestic product (GDP) of 2.8%. The economic trend reaped benefits from robust domestic consumption, pent-up demand in investment in equipment and growth in exports. The outlook for 2011 paints a somewhat more subdued picture, however. Forecasting institutions predict that economic growth in Switzerland will flatten out to roughly 1.9% in 2011. The prospects for the Swiss export industry look restrained due to the uncertainties surrounding the Eurozone and strong Swiss franc exchange rate. The country's labour market traversed the peak of unemployment already at the beginning of 2010, with the jobless rate declining to the 3.9% mark toward year-end. Migration has continuously grown since 2008, acting as an important indicator and driver of demand, with the migration rate still hovering at a remarkable level by historical comparison in 2010, too. The status quo for the Swiss real estate market looks basically upbeat despite the dampened economic outlook, particularly due to persistently low interest rates.

#### Favourable, solid results – Jelvoli Group successfully integrated

The financial year 2010 was marked by the integration of Jelvoli Group and associated legal and tax restructuring measures. Jelvoli Group was fully consolidated for a full reporting period for the first time in the financial year, whereas it was valued according to the equity method in the previous year starting from the acquisition date of the minority shareholding at the time of 28.3% on 29.05.2009. Full consolidation occurred starting from 29.10.2009 following the successful capital increase through an exchange of shares. The reported figures for the current financial year are therefore only partially comparable with the previous year's results.

As the leading real estate investment company in Switzerland, Swiss Prime Site once again turned in a solid performance in the reporting year as well. While some integration- and unbundling-related costs were still booked in the first half-year, the already realised synergy effects from the merger had a positive impact on the earnings picture in the second half of 2010.

Swiss Prime Site boosted its rental income by 65.8% year on year to CHF 417.3 million [CHF 251.7 million] in the reporting period. The loss of earnings rate edged up slightly from 4.0% to 4.2%. Comprehensive income attributable to shareholders of Swiss Prime Site AG amounted to CHF 240.9 million, exceeding the previous year's figure [CHF 190.5 million] by 26.5%. The size of the real estate portfolio decreased by CHF 61.3 million to CHF 8 020.3 million [CHF 8 081.6 million]. Factoring out revaluation effects\* would result in an increase in profit of 46.6% to CHF 171.7 million [CHF 117.1 million]. Net asset value (NAV after deferred taxes) increased by 1.0% to CHF 60.14 [CHF 59.52], while NAV before deferred taxes rose by 1.2% from CHF 71.22 to CHF 72.11. With a closing price of CHF 69.75 at year-end 2010, the Swiss Prime Site share was trading at a premium to NAV of 16.0% [discount of 2.6%].

#### Change in scope of consolidation – squeeze-out of remaining Jelvoli shareholders and divestment of a participation

Non-controlling interests of 1.6% in the former Jelvoli Holding Ltd were acquired through a squeeze-out process in the reporting year. The non-core business Jelvoli Bonus Card Ltd was sold to the Swiss banking group Valartis at end-May 2010 with a gain of CHF 4.4 million. Furthermore, various mergers were carried out in the course of the legal- and tax-related restructuring measures, which reduced the number of fully consolidated subsidiaries from 67 to 10.

#### Segment reporting

Since the acquisition of Jelvoli Group, Swiss Prime Site's business activities pursuant to IFRS 8 have also included the retail trade segment (essentially Jelvoli – The House of Brands department store in Zurich), in addition to the real estate segment (leasing, purchase/sale and construction of investment properties). All properties are reported in the real estate segment, including the owner-occupied properties that are primarily provided for the retail trade segment.

\* revaluations (IAS 40) and deferred taxes

### Retail trade segment

Retail trade net turnover amounted to CHF 157.0 million [CHF 32.8 million], which primarily includes retail net turnover of CHF 147.9 million from Jelmoli – The House of Brands department store in Zurich. This figure fell short of the previous year's level [CHF 154.0 million] by 4% due to partially closed retail floor space. Following the 18-month expansion and renovation period, during which more than CHF 40 million was invested in Jelmoli – The House of Brands, Switzerland's leading premium department store reopened its doors at the end of October 2010. Jelmoli – The House of Brands realised third-party rental income of CHF 17.8 million [roughly CHF 17 million in 2009 on an annual basis], including minimum rent amounting to CHF 13.5 million and turnover-based rent of CHF 4.3 million.

### Rental income from investment properties

In 2010, rental income from investment properties surged by 65.8% year on year to CHF 417.3 million [CHF 251.7 million]. In addition to net rental income resulting from the Jelmoli acquisition (CHF +174.0 million), the increase of CHF 165.6 million comprised the following changes: discontinuation of rental income due to property sales or construction start-up of the Maag site (CHF –9.6 million), rental income from the PostFinance Arena in Berne (CHF +2.5 million), which was completed in autumn 2009 and is fully leased, and various contractual adjustments (CHF –1.3 million). The loss of earnings rate edged up slightly in the reporting period by 0.2 percentage points to the current 4.2% [4.0%], which continues to waver well below the reference supply rate of 7% published by Wüest & Partner AG. The net yield on the properties remained unchanged at 4.9%.

The earnings quality is underscored by the good credit ratings of the tenants. The five largest tenants are all renowned companies and contribute 30.1% [30.8%] to overall rental income. Around 55% [55%] of all rental agreements have a residual term of four or more years.

### Proceeds of property sales

Within the scope of portfolio optimisation, 33 [9] properties with a total fair value of CHF 339.4 million [CHF 155.4 million] as at 31.12.2009 [2008] that for the most part did not conform to corporate strategy were sold in the reporting period. These properties were primarily holdings from previous acquisition-related transactions. The resulting sales proceeds after transaction costs amounted to CHF –0.8 million [CHF –0.0 million].

### Further increase in operating and net profit (before revaluation effects\*)

Profit attributable to shareholders amounted to CHF 235.0 million [CHF 187.4 million]. The increase of CHF 47.6 million versus the previous year can be traced primarily to the integration of Jelmoli Group (29.10.2009) as well as to CHF 32.5 million higher revaluation gains (CHF 86.4 million versus CHF 53.9 million the previous year). Profit excluding revaluation effects\* climbed by 46.6% to CHF 171.7 million [CHF 117.1 million].

The composition and magnitude of direct operating expenses changed as a result of the Jelmoli acquisition, rising from the previous CHF 53.7 million to CHF 137.7 million, of which real estate costs accounted for CHF 62.5 million [CHF 35.9 million] and cost of goods made up CHF 75.1 million [CHF 17.8 million]. Operating expenses amounted to CHF 131.0 million [CHF 72.4. million] and consisted of the following items: personnel expenses CHF 50.0 million [CHF 11.5 million], other operating costs CHF 53.9 million [CHF 57.0 million], as well as depreciation, amortisation and impairment CHF 27.1 million [CHF 3.9 million]. Personnel expenses in the previous year until full consolidation starting from 29.10.2009 were primarily made up of board of director's fees only; thereafter they also included personal expenses for the retail trade segment, mainly Jelmoli – The House of Brands. The increase in depreciation, amortisation and impairment from CHF 3.9 million (since 29.10.2009) to CHF 27.1 million was attributable mainly to depreciation on owner-occupied properties, their furnishings and operating equipment.

### Revaluation of the real estate portfolio

As at 31.12.2010, Wüest & Partner AG valued the real estate portfolio at CHF 8 020.3 million [CHF 8 081.6 million]. This revaluation led to a net valuation profit of CHF 86.4 million [CHF 53.9 million] (without revaluation of owner-occupied properties), or around 1.1% of the portfolio's value compared with 31.12.2009. The total decrease of the portfolio of CHF 61.3 million compared with 31.12.2009 (–0.8%) is made up of value adjustments and investments in projects located at the Stücki site in Basel (CHF +15.8 million) and Maag site in Zurich (CHF +167.3 million), value

\* revaluations (IAS 40) and deferred taxes

adjustments to existing properties including renovations/investments (CHF +95.4 million), building land parcels (CHF –0.4 million) and the reported sale of 33 properties (CHF –339.4 million).

Of the 181 properties (without acquisitions (0), building land parcels (13) development properties Maag site and Stücker site (4)), 133 were valued higher and 47 lower than as at 01.01.2010. The value of 1 property remained unchanged.

The weighted-average real discount rate remained practically unchanged on a year-on-year basis at 4.60% [4.67%]. Assuming an inflation rate of 1.0% [1.2%], this corresponded to a nominal discount rate of 5.65% [5.93%].

### **Prime Tower and Platform in Zurich, Stücker in Basel – new building projects proceeding according to plan and on the verge of completion**

Prime Tower with its two annex buildings and the Platform corporate building celebrated their topping-out ceremony in July 2010. Interior construction began on all buildings already at the end of 2010. The first tenants will take up residence in summer 2011 and the opening is planned for November. The occupancy rate at year-end for the four buildings was 85%, measured by target rental income.

Four of five construction phases of the Stücker Business Park complex in Basel have already been completed, and construction of the final phase commenced in spring 2010. Completion is envisaged for August 2011.

### **Financial situation**

Compared with the end of 2009, the accounting ratios have changed just slightly. Shareholders' equity attributable to shareholders increased by CHF 45.8 million to CHF 3 267.2 million [CHF 3 221.4 million]. The increase comprised the following items: comprehensive income (CHF +240.9 million), equity component of the convertible bond issued on 20.01.2010 (CHF +1.7 million), exchange of employee options on 25.03.2010 (CHF +5.4 million), squeeze-out on 12.05.2010 (CHF +32.2 million), nominal value reduction (CHF –190.1 million) paid on 12.07.2010, share-based compensation (CHF +0.5 million), as well as sale and purchase of treasury shares (CHF –44.4 million). The number of treasury shares held as at 31.12.2010 amounted to 44 037 [245 982], corresponding to 0.1% [0.5%] of the shares issued, with a fair value of CHF 3.1 million [CHF 14.3 million].

Borrowed capital was reduced by CHF 223.3 million from CHF 5 273.5 million to CHF 5 050.2 million (–4.2%), resulting in an equity ratio of 39.3% [37.8%] and borrowed capital ratio of 60.7% [61.8%]. The return on equity (ROE, weighted) amounted to 7.2% [10.0%].

In January 2010, the still outstanding amount of CHF 123.4 million of the 2.0% convertible bond of CHF 175.0 million (2005–2010) was repaid. On 20.01.2010, a new convertible bond amounting to CHF 300.0 million was issued with an interest rate of 1.875% and a term of 2010–2015.

The average weighted interest rate on all financial liabilities amounted to 2.8% [2.8%], and the average weighted residual term to maturity increased to 3.9 [3.4] years. The external financing rate for the real estate portfolio was 52.1% [54.6%].

Financial expenses of CHF 128.6 million [CHF 80.5 million] included primarily mortgage interest of CHF 85.2 million, other bank interest (CHF 2.0 million), interest expense on bonds (CHF 22.0 million), interest on interest rate swaps (CHF 8.1 million), amortisation of costs relating to the convertible bonds (CHF 2.3 million), price losses (CHF 0.6 million), as well as positive valuation effects and interest hedging transactions (CHF 8.4 million). Financial income of CHF 7.0 million [CHF 2.1 million] resulted mainly from credit card business (CHF 4.4 million), which was divested as at end-May 2010, in addition to price gains of CHF 1.1 million [CHF 0.0 million].

### **Information relating to the share/distribution**

The Swiss Prime Site AG share closed at CHF 69.75 [CHF 58.00] at the end of the financial year 2010, resulting in a positive total return (TR – share price performance and distribution) of 27.1% [22.0%]. This share clearly outperformed the SPI (2.9%) as well as the SXI Real Estate Shares benchmark index (24.7%). The Swiss Prime Site AG share held a weighting of 39.8% in the SXI Real Estate Shares index as at 31.12.2010.

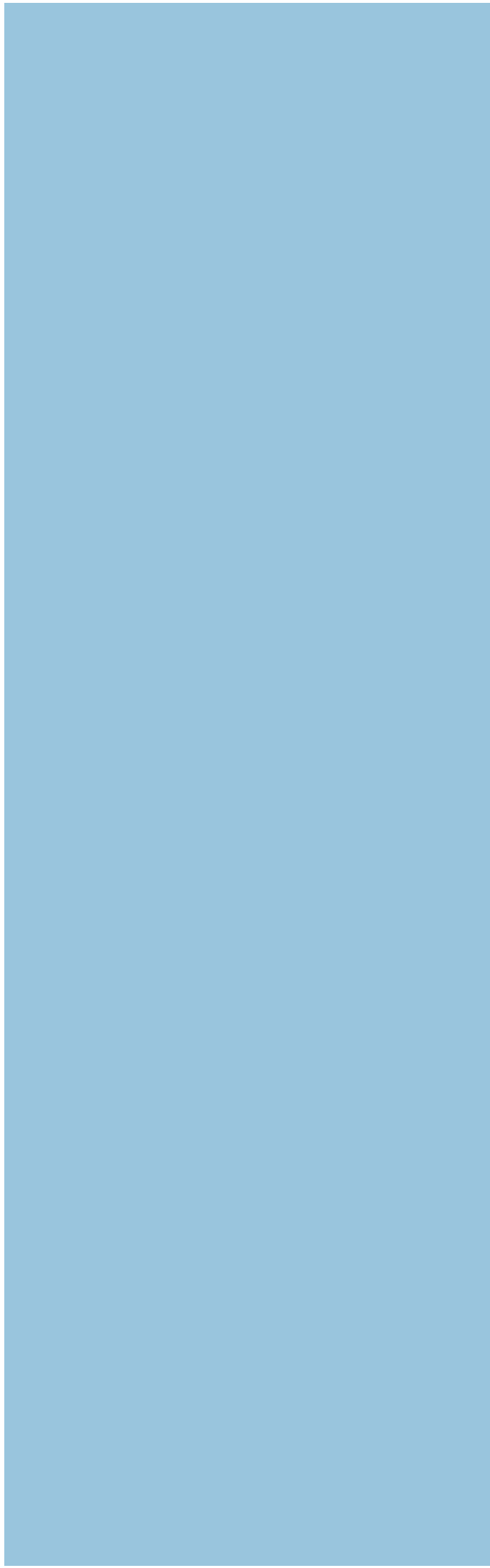
Net asset value (NAV) after deferred taxes amounted to CHF 60.14 as at 31.12.2010, thus surpassing the previous year's figure of CHF 59.52 by 1.0%. NAV before deferred taxes edged up by 1.2% from CHF 71.22 to CHF 72.11. The premium [discount] – i.e. the difference between the market price of CHF 69.75 [CHF 58.00] and NAV after deferred taxes of CHF 60.14, [CHF 59.52] – amounted to 16.0% [–2.6%] at year-end.

Based on the renewed very solid annual results, with earnings per share of CHF 4.34 [CHF 6.09] and positive outlook for the financial year 2011, the Board of Directors has decided to propose to the Annual General Meeting of 19.04.2011 an unchanged distribution of CHF 3.50 per share. The payout should be carried out through a withholding tax-exempt distribution from reserves of paid-in capital. The proposed distribution of CHF 3.50 [CHF 3.50] corresponds to a cash yield of 5.0% [6.0%], based on the closing share price at year-end 2010.

### Outlook

The integration of Jelmoli Group is largely completed, and the legal and tax restructuring measures have been implemented for the most part. The Jelmoli real estate portfolio has been managed by outsourcing partners since 01.04.2010. Various refinancing transactions have been carried out at more advantageous conditions in the area of financing. The real estate portfolio will continue to be optimised in the financial year 2011 as well, with properties not conforming to corporate strategy being divested and operating activities focusing on the core business. In addition, the major construction projects Prime Tower, Platform and Stücker Business Park will be completed in 2011. Rental income generated from these projects will have a positive impact on Swiss Prime Site's earnings situation. Construction of the two new planned development projects Maaghof and SkyKey in Zurich will – respectively can – commence in 2011 too.

Swiss Prime Site is convinced that it is well positioned to be able to generate stable and sustainable profits in the 2011 financial year as well, in light of the attractive locations in primarily economic centres, high-quality building structure, more advantageous financing, low loss of earnings rate and forthcoming completion of major new building development projects. The loss of earnings rate should move in a corridor between 4.5% and 5.0%. The still low interest rates should have a favourable effect on the real estate market and, as a result, on the Swiss Prime Site AG share, too. Swiss Prime Site is confident that the good results of 2010 can once again be achieved or even exceeded in the financial year 2011.





# Consolidated financial statements



## REPORT OF THE STATUTORY AUDITOR ON THE CONSOLIDATED FINANCIAL STATEMENTS TO THE GENERAL MEETING OF SHAREHOLDERS OF SWISS PRIME SITE AG, OLTEN

As statutory auditor, we have audited the consolidated financial statements of Swiss Prime Site AG, which comprise the balance sheet, income statement, statement of comprehensive income, statement of changes in shareholders' equity, cash flow statement and notes (pages 54–117) for the year ended 31.12.2010.

### Board of Directors' responsibility

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), Article 17 of the Directive on Financial Reporting (Directive Financial Reporting, DFR) of SIX Swiss Exchange and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards as well as International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the consolidated financial statements for the year ended 31.12.2010 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards (IFRS) and comply with Article 17 of the Directive on Financial Reporting (Directive Financial Reporting, DFR) of SIX Swiss Exchange as well as the Swiss law.

### Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (Article 728 CO and Article 11 AOA) and that there are no circumstances incompatible with our independence. In accordance with Article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Zurich, 07.03.2011  
KPMG AG

Astrid Keller  
Licensed audit expert  
Auditor in charge

Claudius Rügsegger  
Licensed audit expert

## CONSOLIDATED INCOME STATEMENT

in CHF 1 000	Notes	01.01.– 31.12.2010	01.01.– 31.12.2009
Rental income from investment properties	4/5	417 276	251 745
Proceeds of property sales, net	4/5/21	(817)	(19)
Retail trade turnover, net	4/5	156 998	32 822
Sales proceeds from investment	3/4/5	4 384	–
Other operating income	4/5	15 487	7 019
<b>Operating income</b>		<b>593 328</b>	<b>291 567</b>
Real estate costs	4/6/21	62 538	35 926
Cost of goods sold	4/6	75 122	17 786
<b>Direct operating expenses</b>		<b>137 660</b>	<b>53 712</b>
Personnel costs	4/7	49 996	11 469
Other operating expenses	4/8	53 855	57 023
Depreciation, amortisation and impairment	4/22/23/24	27 103	3 948
<b>Operating expenses</b>		<b>130 954</b>	<b>72 440</b>
<b>Revaluation of investment properties, properties under construction and development sites, net</b>	<b>4/9/21</b>	<b>86 397</b>	<b>53 941</b>
<b>Operating profit (EBIT)</b>		<b>411 111</b>	<b>219 356</b>
Financial expenses	10	128 646	80 481
Financial income	10	6 968	2 065
Income from investments in associates	20/33	1 978	32 775
<b>Profit before income taxes</b>		<b>291 411</b>	<b>173 715</b>
Income tax expense/(income tax revenue)	11/25/26/28	55 615	(14 124)
<b>Profit</b>		<b>235 796</b>	<b>187 839</b>
<b>Profit attributable to shareholders of Swiss Prime Site AG</b>		<b>235 041</b>	<b>187 408</b>
<b>Profit attributable to non-controlling interests</b>		<b>755</b>	<b>431</b>
<b>Earnings per share, in CHF</b>	<b>12</b>	<b>4.34</b>	<b>6.09</b>
<b>Diluted earnings per share, in CHF</b>	<b>12</b>	<b>4.15</b>	<b>5.81</b>

The explanations given in the Notes form an integral part of the consolidated financial statements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in CHF 1 000	Notes	01.01.– 31.12.2010	01.01.– 31.12.2009
<b>Profit</b>		<b>235 796</b>	<b>187 839</b>
Revaluation of owner-occupied properties	9/22/29	7 592	3 757
Deferred taxes on revaluation of owner-occupied properties	11/28/29	(1 746)	(601)
<b>Other comprehensive income</b>	29	<b>5 846</b>	<b>3 156</b>
<b>Comprehensive income</b>		<b>241 642</b>	<b>190 995</b>
<b>Comprehensive income attributable to shareholders of Swiss Prime Site AG</b>		<b>240 887</b>	<b>190 513</b>
<b>Comprehensive income attributable to non-controlling interests</b>	29	<b>755</b>	<b>482</b>

The explanations given in the Notes form an integral part of the consolidated financial statements.

## CONSOLIDATED BALANCE SHEET

in CHF 1 000	Notes	31.12.2010	31.12.2009
<b>Assets</b>			
Cash	13/36	9 800	90 473
Securities	36	1 285	1 329
Accounts receivable	14/36	97 486	166 960
Other receivables	15/36	15 595	22 343
Current income tax assets		2 688	2 512
Inventories	16	23 287	19 774
Accrued income and prepaid expenses	17	20 405	22 551
Assets held for sale	18	130 625	142 018
<b>Total current assets</b>		<b>301 171</b>	<b>467 960</b>
Non-current financial investments	19/36	2 029	3 289
Investments in associates	20	12 613	12 858
Investment properties including building land	21	7 051 166	7 131 373
Properties under construction and development sites	21	558 070	369 500
Owner-occupied properties	22	280 423	438 728
Tangible assets	23	45 583	28 814
Goodwill	24	36 010	36 130
Intangible assets	24	30 319	32 343
Deferred tax assets	25	–	7 750
<b>Total non-current assets</b>		<b>8 016 213</b>	<b>8 060 785</b>
<b>Total assets</b>		<b>8 317 384</b>	<b>8 528 745</b>
<b>Liabilities and shareholders' equity</b>			
Accounts payable	26/36	6 143	23 278
Current financial liabilities	26/36	918 367	908 323
Other current liabilities	26/36	30 295	24 249
Advance payments	26	83 216	38 694
Current income tax liabilities	26	30 152	17 462
Accrued expenses and deferred income	26	57 833	116 118
<b>Total current liabilities</b>		<b>1 126 006</b>	<b>1 128 124</b>
Non-current financial liabilities	27/36	3 256 351	3 502 829
Other non-current financial liabilities	36	17 411	9 228
Deferred tax liabilities	28	650 083	632 969
Net pension provision obligation	7	355	349
<b>Total non-current liabilities</b>		<b>3 924 200</b>	<b>4 145 375</b>
<b>Total liabilities</b>		<b>5 050 206</b>	<b>5 273 499</b>
Share capital	29	831 841	1 022 132
Capital reserves	29	1 292 047	1 296 925
Revaluation reserves	29	9 002	3 105
Retained earnings	29	1 134 288	899 247
<b>Total shareholders' equity attributable to shareholders of Swiss Prime Site AG</b>		<b>3 267 178</b>	<b>3 221 409</b>
Non-controlling interests	29	–	33 837
<b>Total shareholders' equity</b>		<b>3 267 178</b>	<b>3 255 246</b>
<b>Total liabilities and shareholders' equity</b>		<b>8 317 384</b>	<b>8 528 745</b>

The explanations given in the Notes form an integral part of the consolidated financial statements.

## CONSOLIDATED CASH FLOW STATEMENT

in CHF 1 000	Notes	01.01.– 31.12.2010	01.01.– 31.12.2009
<b>Profit</b>		<b>235 796</b>	<b>187 839</b>
Depreciation, amortisation and impairment	22/23/24	27 103	3 948
Proceeds of property sales, net	5/21	817	19
Sales proceeds from investment	3/4/5	(4 384)	–
Income from investments in associates	20	(1 978)	(32 775)
Revaluation of investment properties, properties under construction and development sites, net	9/21	(86 397)	(53 941)
Other non-liquidity-related items affecting net income		1 139	(362)
Financial expenses	10	128 646	80 481
Financial income	10	(6 968)	(2 067)
Income tax expense/(income tax revenue)	11/25/28	55 615	(14 124)
Increase/decrease of inventories	16	(3 513)	5 257
Net change in other current assets		(72 066)	1 665
Change of operative current liabilities	26	(3 411)	11 730
Interest payments made	10	(127 102)	(78 704)
Interest payments received	10	5 836	2 088
Income tax payments	11	(18 247)	(1 356)
<b>Cash flow from operating activities</b>		<b>130 886</b>	<b>109 698</b>
Investments in investment properties including building land	21	(50 049)	(47 163)
Investments in properties under construction and development sites	21	(147 666)	(131 798)
Investments in owner-occupied properties	22	(3 269)	(1 503)
Divestments of investment properties including building land	21	338 568	155 349
Divestments of owner-occupied properties	22	5	–
Investments in tangible assets	23	(27 356)	(2 139)
Divestments of tangible assets	23	1 425	70
Acquisition of Jelmoli Holding Ltd, excluding acquired cash		–	(155 781)
Sale of Jelmoli Bonus Card Ltd, plus cash rendered	3/4	(3 550)	–
Investments in intangible assets	24	(2 438)	(477)
Divestments of intangible assets	24	282	–
Divestments of securities		4	3 336
Divestments of non-current financial investments	19	1 341	106
Dividends received	10/20	2 381	2
<b>Cash flow from investing activities</b>		<b>109 678</b>	<b>(179 998)</b>
Increase in financial liabilities	26/27	2 403 473	1 616 246
Repayment of financial liabilities	26/27	(2 660 166)	(1 437 281)
Repayment/buyback of convertible bond 2.0%	26	(123 400)	(7 397)
Issue of convertible bond 1.875%	27	300 000	–
Costs of convertible bond 1.875%	27	(6 234)	–
Nominal value reduction	29	(190 131)	(81 413)
Cost of capital increase	29	–	(781)
Purchase of treasury shares	29	(45 111)	(6)
Sale of treasury shares	29	332	69 613
<b>Cash flow from financing activities</b>		<b>(321 237)</b>	<b>158 981</b>
<b>Net decrease/increase in cash</b>		<b>(80 673)</b>	<b>88 681</b>
Cash at beginning of period	13	90 473	1 792
<b>Cash at end of period</b>	13	<b>9 800</b>	<b>90 473</b>

The explanations given in the Notes form an integral part of the consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

in CHF 1 000	Notes	Share capital	Capital reserves (premium)	Revaluation reserves	Retained earnings	Shareholders' equity attributable to shareholders of Swiss Prime Site AG	Non-controlling interests	Total shareholders' equity
<b>As at 01.01.2009</b>		<b>569 510</b>	<b>137 414</b>	<b>–</b>	<b>711 839</b>	<b>1 418 763</b>	<b>–</b>	<b>1 418 763</b>
Profit	12/29	–	–	–	187 408	187 408	431	187 839
Revaluation of owner-occupied properties	9/22/29	–	–	3 696	–	3 696	61	3 757
Deferred taxes on revaluation of owner-occupied properties	9/11/22/29	–	–	(591)	–	(591)	(10)	(601)
Other comprehensive income		–	–	3 105	–	3 105	51	3 156
<b>Comprehensive income</b>		<b>–</b>	<b>–</b>	<b>3 105</b>	<b>187 408</b>	<b>190 513</b>	<b>482</b>	<b>190 995</b>
Acquisition of the participation in Jelvoli Holding Ltd from Pelham Investments Ltd on 29.05.2009	29	–	265 440	–	–	265 440	–	265 440
Nominal value reduction on 09.07.2009	29	(87 222)	5 809	–	–	(81 413)	–	(81 413)
Payment of purchase price to Pelham Investments Ltd on 10.07.2009	29	84 224	(84 224)	–	–	–	–	–
Capital increase for exchange of shares for the exchange offer on 29.10.2009	29	455 620	903 394	–	–	1 359 014	33 355	1 392 369
Capital increase costs		–	(781)	–	–	(781)	–	(781)
Share-based payments	29	–	266	–	–	266	–	266
Purchase of treasury shares	29	–	(6)	–	–	(6)	–	(6)
Sale of treasury shares	29	–	69 613	–	–	69 613	–	69 613
<b>As at 31.12.2009</b>		<b>1 022 132</b>	<b>1 296 925</b>	<b>3 105</b>	<b>899 247</b>	<b>3 221 409</b>	<b>33 837</b>	<b>3 255 246</b>

The explanations given in the Notes form an integral part of the consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

in CHF 1 000	Notes	Share capital	Capital reserves (premium)	Revaluation reserves	Retained earnings	Shareholders' equity attributable to shareholders of Swiss Prime Site AG	Non-controlling interests	Total shareholders' equity
<b>As at 01.01.2010</b>		<b>1 022 132</b>	<b>1 296 925</b>	<b>3 105</b>	<b>899 247</b>	<b>3 221 409</b>	<b>33 837</b>	<b>3 255 246</b>
Profit	12/29	–	–	–	235 041	235 041	755	235 796
Revaluation of owner-occupied properties	9/22/29	–	–	7 592	–	7 592	–	7 592
Deferred taxes on revaluation of owner-occupied properties	9/11/22/29	–	–	(1 746)	–	(1 746)	–	(1 746)
Other comprehensive income		–	–	5 846	–	5 846	–	5 846
<b>Comprehensive income</b>		<b>–</b>	<b>–</b>	<b>5 846</b>	<b>235 041</b>	<b>240 887</b>	<b>755</b>	<b>241 642</b>
Issue of 1.875% convertible bond on 20.01.2010, equity component	29	–	1 662	–	–	1 662	–	1 662
Conversion of employee options on 25.03.2010	29	–	5 408	–	–	5 408	–	5 408
Squeeze-out on 12.05.2010	29	–	32 154	51	–	32 205	(32 205)	–
Disposal of investment in a subsidiary on 28.05.2010	29	–	–	–	–	–	(2 387)	(2 387)
Nominal value reduction on 12.07.2010	29	(190 291)	160	–	–	(190 131)	–	(190 131)
Share-based payments	29	–	517	–	–	517	–	517
Purchase of treasury shares	29	–	(45 111)	–	–	(45 111)	–	(45 111)
Sale of treasury shares	29	–	332	–	–	332	–	332
<b>As at 31.12.2010</b>		<b>831 841</b>	<b>1 292 047</b>	<b>9 002</b>	<b>1 134 288</b>	<b>3 267 178</b>	<b>–</b>	<b>3 267 178</b>

The explanations given in the Notes form an integral part of the consolidated financial statements.

## 1 BUSINESS ACTIVITIES

### 1.1 Purpose

The purpose of Swiss Prime Site AG, Olten (hereinafter referred to as «Holding Company» or «Company»), is exclusively the acquisition, holding, management and disposal of investments in other companies.

### 1.2 Business strategy

Swiss Prime Site offers Swiss and foreign investors the opportunity to participate in a professionally managed Swiss property portfolio established according to strict investment criteria. Swiss Prime Site wants to set a benchmark in the Swiss real estate market by means of a clearly communicated strategy.

Swiss Prime Site invests in Swiss properties at selected locations and offers its shareholders the opportunity to participate in the potential for value growth of an enterprise managed by experienced real estate specialists. In operational terms, Swiss Prime Site works together with reputable industry partners.

With the acquisition of Jelmoli Group, Swiss Prime Site had, in addition to the real estate segment, also acquired the retail trade segment. The products and brands for the Jelmoli – The House of Brands department store are determined by means of evaluation procedures. The primary focus is on high-quality products and brands.

### 1.3 Investment strategy

The investment regulations define the Company's investment strategy. When selecting investments, the Company primarily concentrates on business properties with good development potential at the larger economic locations in Switzerland. The significant criteria applied to the selection of investments in commercial properties are, amongst others: quality of the location, economic development potential, access via traffic routes and public transport, architectural concept and finishing standard, occupancy rate or occupancy potential, solvency and mix of tenants, utilisation flexibility of the buildings, expected return as well as existing potential for value and revenue increases.

To optimise income, an external financing rate of 65% of all investment properties is permitted. Properties may be pledged to secure corresponding loans.

The external financing ratio is the proportion of interest-bearing borrowed capital measured at the fair value of the property portfolio.

The investment strategy and the investment regulations are regularly reviewed by the Board of Directors.

### 1.4 Business activity

The Company's business activities are primarily carried out by its subsidiaries. As a real estate investment company, Swiss Prime Site intends to keep the property-related headcount as low as possible. Accordingly, the Company has transferred the management, the property management and certain other services to Credit Suisse AG, Real Estate Asset Management. In 2009, due to the acquisition of Jelmoli Group, 885 employees were also taken over. On 31.12.2010, the Company reported its own headcount of 602 [876] employees, who work in the retail trade segment. The employees of the real estate segment transferred to outsourcing partners as at 01.04.2010. The sale of Jelmoli Bonus Card Ltd in May 2010 led to 82 employees leaving the Group.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

### 2.1 Principles of consolidated reporting

The Company's consolidated reporting was produced in accordance with International Financial Reporting Standards (IFRS) and corresponds to Article 17 of the Guideline to Financial Accounting of the Swiss stock exchange (SIX Swiss Exchange). The consolidated financial statements comprise the Holding Company and its subsidiaries (together group companies).

The consolidated financial statements are essentially based on the historical cost principle. Deviations from this principle are specifically mentioned in Notes 2.8 to 2.38. This applies to the investment properties, properties under construction, development sites and owner-occupied properties. In accordance with the fair value model of IAS 40 «Investment property» and due to the revaluation model of IAS 16 «Property, plant and equipment,» these properties are valued at fair value. In addition, securities and derivatives are recognised at list prices or at fair values as at the balance sheet date. The main accounting principles are explained below.

These consolidated financial statements are prepared in Swiss francs (CHF). All amounts, except for the figures per share, are rounded to CHF thousand. All group companies keep their accounts in CHF. Transactions denominated in foreign currencies are immaterial.

Due to the acquisition of Jelmoli Group on 29.10.2009, the 2009 financial statements are not comparable with the 2010 statements.

### 2.2 Amendments to the IFRS accounting principles

Apart from the changes described below, the accounting principles remain the same as in the previous year. As at 01.01.2010, Swiss Prime Site introduced the following new or revised standards and interpretations:

IFRS 2 rev.	Group cash-settled share-based payment transactions
IAS 39 rev.	Financial instruments: recognition and measurement – eligible hedged items
IFRIC 17	Distribution of non-cash assets to owners
Various	Various improvements to IFRS (April 2009)

These revisions or amendments have no significant impact on the consolidated financial statements.

The following new and revised standards and interpretations have been adopted, but will not take effect until a later date and have not been applied in advance to the present consolidated financial statements. A systematic analysis of their impact on the consolidated financial statements of Swiss Prime Site has not yet been made; the anticipated effects disclosed below therefore represent no more than a first appraisal by the Management Board.

Standard/ interpretation	Title	Impact	Entering into force	Planned application by Swiss Prime Site
IAS 32 rev.	Classification of rights issues	*	01.02.2010	Financial year 2011
IFRIC 19	Extinguishing financial liabilities with equity instruments	*	01.07.2010	Financial year 2011
IAS 24 rev.	Related party disclosures	*	01.01.2011	Financial year 2011
IFRIC 14	Minimum funding requirements and their interaction	*	01.01.2011	Financial year 2011
IFRS 7 rev.	Disclosures – transfer of financial assets	*	01.07.2011	Financial year 2012
IAS 12 rev.	Deferred tax – recovery of underlying assets	*	01.07.2011	Financial year 2012
IFRS 9	Financial instruments	**	01.01.2013	Financial year 2013
Various	Various improvements to IFRSs (May 2010)	*	01.07.2010/ 01.01.2011	Financial year 2011

\* No or no significant impact on the consolidated financial statements is anticipated.

\*\* The effects on the consolidated financial statements cannot yet be determined with sufficient certainty.

### 2.3 Valuations and assumptions

The preparation of semi-annual and annual accounts in accordance with IFRS accounting principles requires the use of appraisal values and assumptions that influence the amounts reported under assets and liabilities, the disclosure of contingent assets and liabilities as at the balance sheet date and the revenue and expenses recognised during the reporting period. Although these appraisal values have been determined by Swiss Prime Site according to the best knowledge of the Management Board with respect to current events and possible future measures, the results actually achieved may differ from these appraisal values.

#### Investment properties, building land and owner-occupied properties

The properties are valued on a going-concern basis. The valuation is based on the current rental situation and the current condition of the property. Beyond the expiry of the existing rental agreements, the earnings forecast is based on the current market level.

On the cost side, allowance is made for the repair and maintenance costs required to ensure sustainable income and to cover recurring facility management costs.

Swiss Prime Site always works on the basis of an average and expedient facility management strategy. The specific circumstances are disregarded or taken into account only to the extent that specific agreements have been included in the rental agreement, or if they appear plausible and feasible to third parties or do not differ substantially as far as the resulting fair value is concerned.

Possible optimisation measures consistent with the market – such as improved rental situation in future – are taken into account only insofar as they guarantee the continuation of the property on a going-concern basis. Not included in the valuation are changes in use, repositioning, conversion work, conversion into freehold flats, and others.

The valuation or calculation period (DCF method) runs for 100 years from the valuation date. A more detailed cash flow forecast is prepared for the first ten years, while approximate annualised assumptions are made for the rest of the term.

The valuation implicitly assumes a current annual inflation rate of 1.0% [1.2%]. However, cash flows and discount rates are usually given on a real basis in the valuation reports.

The specific indexing of the existing rental relationships is taken into account. Beyond the expiry of the contracts, an average indexing rate of 80% is used for the calculation, and rents are adjusted to the market level once every five years. Payments are generally assumed to be made monthly in advance after expiry of the rental agreements.

On the operating cost (owner's cost) side, it is assumed that completely separate ancillary cost accounts are kept and that ancillary and operating costs are outsourced, insofar as this is permitted by law. Maintenance costs (repair and maintenance costs) are determined on the basis of benchmarks and model calculations. The residual lifetime of the individual parts of the buildings is determined on the basis of a rough estimate of their condition, the regular renewal is modelled and the resulting annual annuity calculated. The calculated values are subject to a plausibility check based on the benchmarks set by Wüest & Partner AG and figures of comparable properties. Repair costs are included in full (100%) for the first ten years, while the earnings forecast takes into account, where appropriate, possible increases in rent. From the eleventh year, repair costs of 50 to 70% are allowed (value-preserving components only) without including possible rent increases. Costs for removing contamination are not included in the individual valuations; they are considered separately.

The applied discounting method is based on constant monitoring of the real estate market and is derived from models with plausibility checks, on the basis of a real interest rate which is made up of the risk-free interest rate (long-term government bonds) plus general property risks plus property-specific supplements. The risk is adjusted for each individual property. The range of applied discount rates is disclosed in Notes 21 «Investment properties» and 22 «Owner-occupied properties».

The valuations are based on the rental tables and rented floor space.

The creditworthiness risks of the individual tenants are not explicitly taken into account in the valuation, since, where necessary, appropriate contractual safeguards are obtained.

The fair values of the investment properties, including building land and owner-occupied properties that are affected by these valuations and assumptions, are described in Notes 21 «Investment properties» and 22 «Owner-occupied properties».

#### **Properties under construction and development sites**

Properties under construction and development sites with projected use as investment properties have to be recognised at fair value according to IAS 40, provided that this value can be reliably determined. A legal building permit is an important indicator to reliably determine the fair value of a property under construction or a development site.

Planned or possible construction after completion are valued on the basis of the same assumptions used for the investment properties and building land. To determine the current fair value as at the balance sheet date, outstanding investment costs are deducted from the value of the building after completion. Information on projected construction works, schedule, building costs and future rentals are considered as far as they are available (building permits, plans, cost calculations/investment applications, and others), or as far as they are believed to be plausible. The range of applied discount rates is disclosed in Note 21 «Investment properties».

The fair values of the properties under construction and development sites affected by these valuations and assumptions are included in Note 21 «Investment properties».

#### **Impairment of goodwill and brand names**

With respect to goodwill and brand names with indefinite useful life, assumptions as to the calculation of the utility value are applied in the impairment test, which is performed at least annually. Main assumptions with regard to utility value calculation are growth rates and discount rates. These assumptions may prove to be incorrect in the future. Also, the effective cash flows may differ from the discounted projections.

The book values subject to these assumptions and valuations are specified in Note 24 «Intangible assets».

#### **Deferred taxes**

Deferred tax liabilities are calculated on the valuation difference between the book value of an asset or a liability for consolidation purposes and the value relevant for tax purposes. In principle, deferred taxes are to be apportioned on all temporary differences at the current or future anticipated and full rate (balance sheet liability method).

If the revaluation of properties under IFRS compared with the tax base is due to recaptured, previously claimed depreciation, the tax is reported and treated separately on an individual property basis and taking into account the property gains tax.

Revaluation exceeding the recapture of previously claimed depreciation is taxed using two different systems. In cantons which do not levy any special taxes, the tax on the property gain is calculated at the current maximum tax rates. The other cantons levy a separate property gains tax. In addition to the ordinary rate for property gains tax, this tax also contains speculation supplements or discounts relating to and depending on the duration of ownership.

Accordingly, property gains taxes are reduced in proportion to the duration of ownership of the property. Since 2009, Swiss Prime Site generally assumes a duration of ownership of 20 years. This means that all applicable speculation supplements are not taken into account. The determination of the minimum holding period is subject to discretion to a considerable extent.

Devaluation below acquisition costs (losses) can also be taken into account due to the practice of the Swiss Federal Court and the circulation letter 27 of the Swiss Tax Conference dated 15.03.2007 regarding intercantonal loss offsetting. This practice aims to ensure that there are no more losses from intercantonal tax allocations: i.e. the cantons where the property is held must assume losses from the headquarter or other cantons.

Of the total losses carried forward, deferred tax assets are only recognised if the losses carried forward can in all probability be offset against future profits.

The book values subject to these assumptions and valuations are described in Notes 25 «Deferred tax assets» and 28 «Deferred tax liabilities».

## **2.4 Scope of consolidation and consolidation methods**

The consolidated financial statements of Swiss Prime Site comprise Swiss Prime Site AG and all its subsidiaries, controlled directly or indirectly via majority of votes or under a single management. These subsidiaries are fully consolidated in the accounts.

The scope of consolidation comprises 11 [68] companies (including the Holding Company). An overview of the major subsidiaries is set out in Note 33 «Major subsidiaries».

Various mergers were carried out with retroactive effect from 01.01.2010, resulting in significant streamlining of the Group's structure. An overview of these mergers is provided in Note 33 «Major subsidiaries». In addition, the 72.5% interest in Jelmoli Bonus Card Ltd was sold to banking group Valartis as at 28.05.2010 (see Note 3 «Restructuring»).

The consolidation is based on the audited annual financial statements of the group companies as at 31.12.2010, which have been prepared applying uniform accounting principles. All significant transactions and balances between the individual group companies as well as intragroup profits are eliminated.

Investments in associates in which Swiss Prime Site exercises a decisive influence, but which it does not control, are valued according to the equity method. The fair value of the pro-rated net assets is determined at the time of acquisition. These investments are for the first time recognised at the pro-rated equity including any goodwill as investments in associates. In subsequent reporting periods after the acquisition, this value is adjusted to reflect Swiss Prime Site's share in the additional equity generated or net income earned. All balances/transactions with investments valued according to the equity method are entered separately as items with associates.

Companies in which Swiss Prime Site holds an investment of less than 20% are recognised at fair value (provided that this value can be reliably determined), either as securities or as non-current financial investments.

Investments in subsidiaries and in associates are included in the consolidated financial statements from the time when control of the subsidiaries or associates is taken, or when significant influence is gained, and they are no longer included from the time when control is relinquished or significant influence is lost. These two dates are not necessarily identical to the date of acquisition or sale.

The share of third-party shareholders (non-controlling interests) in the consolidated net assets and the consolidated result respectively comprehensive result is recognised separately in the consolidated balance sheet, income statement, statement of comprehensive income as well as in the statement of changes of shareholders' equity. Purchases of non-controlling interests are recognised in shareholders' equity (not affecting net income).

## **2.5 Capital consolidation**

This is effected using the purchase method. The difference between the purchase price of an acquired company and the fair value of the net assets acquired is entered on the balance sheet as goodwill from acquisitions. Goodwill is tested for impairment annually or at shorter intervals, if there is any indication of impairment.

## **2.6 Segment reporting**

The segment reporting complies with IFRS 8 «Operating segments» and is based on the management approach. The main decision-maker of Swiss Prime Site is the Management Board. Since the acquisition of Jelmoli Group, the operational activities have been grouped into two segments (real estate, comprising purchase and sale, lease and development of properties; and retail trade, comprising sales activities in retail trade and in hotels), which are subject to reporting requirements. In the real estate segment, all properties are recognised including the owner-occupied properties which are provided for the retail trade segment.

The disclosure on investments in non-current assets in the segment reporting includes all investments in non-current assets with the exception of financial instruments and deferred tax assets during the reporting period.

## **2.7 Comparative figures of the previous period**

The presentation of the comparative periods and figures is in accordance with IAS 1 «Presentation of financial statements». The figures for the comparative period are shown in the text in square brackets [ ].

## **2.8 Cash**

Cash comprises cash in hand and sight deposits at banks. Cash also comprises fixed-term deposits with banks and short-term money market investments with an original term of maximum three months. They are recognised in the balance sheet at nominal values.

## **2.9 Securities**

Securities (qualified as held for trading according to IFRS and affecting the income statement) include tradable equities held on a short-term basis which are valued at fair value and term deposits with an original time to maturity of more than three months which are carried at nominal value. Unrealised and realised revenue from securities is recognised as financial result in the income statement.

## **2.10 Accounts receivable**

Accounts receivable and other receivables are valued at amortised cost, which normally is the nominal value, less any impairments for uncollectible receivables. The receivables of the real estate segment are subject to individual valuation with strict credit-rating guidelines. The value of the receivables of the retail trade segment is adjusted using statistical figures regarding the payment risk.

## **2.11 Provision for bad and doubtful debts**

To cover debtor risk, at the end of the reporting period, outstanding accounts receivable are evaluated by means of maturity lists and legal case reporting with respect to collectability. The necessary valuation adjustments are formed, and valuation adjustments which are no longer necessary are released. The valuation adjustments are described in 2.10 «Accounts receivable».

## **2.12 Inventories**

Inventories are valued at average cost price, but not exceeding the fair value (net realisable value). The value of inventories with long storage periods and goods that are hard to sell is adjusted.

**2.13 Accrued income and prepaid expenses**

This caption comprises prepaid expenses relating to the next reporting period and income for the current reporting period which will not be received until a later date.

**2.14 Assets held for sale**

These are assets or groups of assets held for sale which have not yet been sold but will be sold with high probability. These assets are valued at the lower of book value or fair value less sales costs. Investment properties held for sale are subject to IFRS 5 only in respect of their classification, but not for valuation purposes and are therefore recognised at fair value.

**2.15 Non-current financial investments**

Non-current financial investments comprise tenants' loans with a residual term to maturity of more than one year and are valued at amortised cost less any required impairments. Impairment losses are recognised in the income statement. The tenants' improvements are used as security for such loans. If necessary, loans secured by real estate can also be granted, provided that the pledged real estate security is located in Switzerland. The maximum loan-to-value ratio per property amounts to 70% of the fair value. Under financial investments, free capital can be invested in CHF and EUR. Investments in first-class, stock exchange-listed shares, in bonds with a minimum rating by a leading rating agency of «A» and money market papers are permitted. These financial investments are valued like securities (see Note 2.9 «Securities»).

**2.16 Investment properties and building land**

Investment properties and building land are recognised at fair values. The principles of individual valuation apply, with the same valuation method being applied to all properties. Changes in fair value are recognised in the income statement.

Investment properties and building land are valued at least every six months by a neutral, independent valuation expert (Wüest & Partner AG, Zurich) using the discounted cash flow method. The change in the new valuation is recognised permanently in the consolidated income statement. Deferred tax liabilities or assets on such sums are debited, or credited, to the consolidated income statement as deferred tax expense or deferred tax revenue.

**2.17 Properties under construction and development sites**

Properties under construction and development sites with future usage as investment properties are recognised at fair value already during construction, the same as other investment properties, provided that the fair value can be reliably determined, according to IAS 40 «Investment property». The existence of a legally enforceable building permit is an important indicator for Swiss Prime Site to reliably determine the fair value of a property under construction or a development site. The change in fair value is recognised in the income statement.

If a reliable estimate of the fair value of properties under construction and development sites is not possible, they are recognised at investment cost less any required impairments. Existing investment properties remain under the caption «Investment properties» for the duration of conversion or renovation.

**2.18 Owner-occupied properties**

Owner-occupied properties are recognised on the balance sheet at fair value. Positive revaluation is credited to other comprehensive income unless it is due to reversed, previously claimed impairments. In case of a negative valuation, any previous increases in value are first reversed in group shareholders' equity until the corresponding revaluation reserve is released, and any further devaluation is debited to the consolidated income statement. As with investment properties, owner-occupied properties are revaluated every six months. Ordinary depreciation is carried out over a period of 60 years, or 100 years for the property at Seidengasse 1/Jelmoli – The House of Brands in Zurich since 01.07.2010. The reduction in useful life for tenant improvements and equipment, from ten to eight years, necessitated an increase in depreciation of CHF 1.828 million in the 2010 reporting period, whereas the extension of useful life for the owner-occupied property Jelmoli – The House of Brands at Seidengasse 1 in Zurich led to a decline in depreciation of CHF 0.998 million. In the financial year 2011, an increase in depreciation period for the owner-occupied property Jelmoli – The House of Brands would result in a decline in depreciation by CHF 1.612 million, whereas a decrease in depreciation period for tenant improvements and equipment would lead to a rise in depreciation by CHF 1.585 million, based on investment costs as at 31.12.2010. The adjustment in useful life was carried out on 01.07.2010.

## 2.19 Tangible assets

Tangible assets are recognised at acquisition or production costs less cumulated depreciation and impairment. Expenses on repairs and maintenance are charged directly to the consolidated income statement. Depreciation is applied over the estimated useful life based on the straight-line method.

## 2.20 Intangible assets and goodwill

Intangible assets are recognised at cost less amortisations and impairments and include goodwill, software for which a license was obtained from third parties or which was developed by third parties or within the Group as well as customer relations and brand names. The amortisation period of software is five years and the amortisation period of customer relationships is ten years (straight line). As with goodwill, an indefinite useful life is assumed for the brand name that is currently recognised in the balance sheet.

## 2.21 Depreciation

The useful life of tangible and intangible assets can be classified as follows:

	Years
Owner-used property Jelmol – The House of Brands, Seidengasse 1, Zurich	100
Other owner-occupied properties	60
Production facilities	20
Customer relationships	10
Tenant improvements	8
Equipment	8
Computer and software	5
Goodwill and brand names	indefinite

## 2.22 Impairment of tangible and intangible assets including goodwill

The value of tangible and intangible assets is always reviewed if changed circumstances or events indicate the possibility of an overvaluation in the book values. If the book value exceeds the realisable value (fair value less disposal costs or higher utility value), an impairment to the realisable value is applied.

Goodwill and other intangible assets with indefinite useful life are tested for impairment annually or at shorter intervals if there is any reason to suppose an impairment.

## 2.23 Leasing

### Swiss Prime Site as lessor

Property leases and land lease contracts are operating lease contracts. Rental income is generally recognised in the consolidated income statement linearly over the duration of the contract. In some of the rental agreements, target turnovers have been agreed upon with the tenants (turnover-based rents). If these are exceeded on an annual basis, the resulting rental income is recognised in the reporting year.

### Swiss Prime Site as lessee

For contracts concerning the use of land, for which land lease interests or usage rights interests are paid, it should be evaluated whether these are to be classified as operating or finance lease.

Payments under operating leases are recognised in the income statement linearly over the lease or rental term or the duration of the land lease.

Rental/lease contracts with third parties are carried on the balance sheet as finance leases, if the risks and benefits associated with ownership are essentially transferred to the lessee on entering into the agreement. Such investments are recognised in the balance sheet at the present value of the minimum lease payments or at the lower fair value. The corresponding lease obligations are recognised as financial liabilities. The lease rates are split in interest expenses and amortisation of the lease debt. Recognised leasing properties are amortised over their useful life or the lower lease term.

No finance leases currently exist, neither as lessee nor as lessor.

#### **2.24 Derivative financial instruments**

Derivative financial instruments can be used as part of ordinary business activities (for example to hedge interest risks). Hedge accounting for the purposes of IAS 39 is not used. The derivative financial instruments are valued at fair value, and unrealised as well as realised profits and losses are recognised in net financial income. More information is contained in Note 36 «Financial instruments and financial risk management».

#### **2.25 Income taxes**

Income taxes consist of current income taxes and deferred taxes.

Current income taxes comprise the expected tax liability on the taxable profit calculated at the tax rates applicable on the balance sheet date, property gains taxes on property sales and adjustments to tax liabilities or tax assets for previous years.

Deferred taxes are calculated on temporary valuation differences between the book value of an asset or a liability in the consolidated balance sheet and its tax base (balance sheet liability method). The determination of the deferred taxes takes the expected date of settlement of the temporary differences into account. The tax rates used are those applicable or announced at the balance sheet date.

Tax effects from losses brought forward and tax credits are carried as deferred tax assets if it seems likely that the losses carried forward can in future be offset against profits within the stipulated statutory periods.

#### **2.26 Financial liabilities**

Financial liabilities comprise current financial liabilities which fall due for repayment within the year and non-current financial liabilities with residual terms to maturity of more than 12 months. Financial liabilities can comprise loans secured by real estate, borrowed capital components of convertible bonds and other financial debt. All loans were granted to Swiss Prime Site in CHF. A maximum external financing rate of 65% of the fair value of the entire property portfolio is permitted. Financial liabilities are recognised on the balance sheet at amortised cost.

#### **2.27 Advance payments**

Advance payments cover in particular payments from tenants for rent claims or payments on account for cumulative ancillary costs. Advance payments are recognised in the balance sheet at nominal value.

#### **2.28 Provisions**

Provisions are raised for liabilities that are uncertain because of their due date or due amount. A provision is recognised, if a past event creates a legal or constructive obligation, and if future outflows of resources can be reliably estimated. In any legal disputes, the provisions recognised for obligations are based on how the Management Board judges the outcome of the dispute in good faith, according to the facts known at the balance sheet date.

#### **2.29 Convertible bond**

The full amount of a convertible bond is recognised as liability. If the convertible bond is issued on conditions which differ from a bond without conversion rights, it is divided into borrowed capital and equity components. The issuing costs are attributed to the borrowed capital and equity component based on their initial book values. In a premature buyback, the purchase price (less paid accrued interest) is compared with the pro-rata book value. The loss or income attributable to borrowed capital component from the buyback is recognised in net financial income.

A convertible bond can contain embedded derivatives, which, depending on their form, should be accounted for separately from the basic contract.

### 2.30 Shareholders' equity

Shareholders' equity is subdivided into share capital, capital reserves, revaluation reserves, retained earnings and non-controlling interests. In the share capital, the nominal share capital of the Company is stated. Nominal value changes are recognised in the share capital. Revaluation gains of owner-occupied properties are recognised as revaluation reserves if they exceed previous impairments. Impairments of owner-occupied properties primarily reduce the revaluation reserves. All impairments exceeding these reserves are recognised in the income statement. Profits/losses are credited/debited to retained earnings and any dividend payments are debited to retained earnings. All other changes of capital are recorded in the capital reserves.

The Company aims to maintain an equity ratio of 40%. The Board of Directors can approve a shortfall of this ratio. In a long-term view, the Company strives for a return on equity of 6 to 8%.

### 2.31 Treasury shares

Treasury shares are recognised at acquisition cost in shareholders' equity (capital reserves). Proceeds from the sale of treasury shares are set off directly against shareholders' equity (capital reserves).

### 2.32 Dividends

In compliance with Swiss statutory provisions and the articles of association, dividends are treated as an appropriation of profit in the financial year in which they were approved by the Annual General Meeting and paid out subsequently. It is anticipated to pay out generally 60 to 80% of the result before revaluation effects.

### 2.33 Employee benefits

The group companies dispose of organisations and foundations which are financially independent from Swiss Prime Site. All foundations are treated as defined benefit plans according to IAS 19 «Employee benefits». They are generally financed by means of employer and employee contributions. Benefit obligations under defined benefit plans are determined by external experts according to the projected unit credit method. The actuarial appraisals are prepared separately for each benefit plan.

Actuarial profits or losses are credited or debited to pension costs over the average remaining period of service of the insured employees, if the cumulated profits/losses exceed a range of 10% of the larger of the two values, plan assets at fair value or present value of defined benefit obligation. However, actuarial excess covers are only recognised in the balance sheet to the extent that the Group stands to gain economically from this in future in the form of reduced contributions or reimbursements for the purposes of IFRIC 14 «IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction», or if they are actuarial losses which must not yet be recorded.

### 2.34 Share plans and share-based payments

Fifty per cent of the fee of members of the Board of Directors are paid in the form of shares, which are subject to a freeze on their sale for a period of four years. The shares are allocated at the end of the financial year, based on the market price at the beginning of the financial year, less a discount of 10%. Claims on treasury shares, including the social insurance contributions payable thereon, are recognised as personnel costs in compliance with IFRS 2. The claims are settled by means of treasury shares.

### 2.35 Operating income and realisation of income

Operating income includes all revenue from leasing and selling investment properties, participations and other assets, retail trade turnover as well as other operating income. Vacancy costs and collection losses (loss of earnings) are deducted directly from the target rental income of investment properties and retail trade turnover. Operating income is recorded upon maturity or upon provision of services. Profits from the sale of investments are reported net, less all incidental selling expenses. Turnover from retail trade is recognised upon delivery of the goods or provision of the services, i.e. when the right of use and the risk has passed to the customer.

**2.36 Interest**

Interest on credit loans for qualified properties under construction and development sites are imputed to acquisition costs. With this method, financial expenses are relieved, but at the same time, the revaluation gain is lowered correspondingly.

Other interest on borrowed capital is recognised in the income statement using the effective interest rate method. Interest payable and interest receivable are apportioned as set out in the loan agreements and debited or credited to the financial result.

**2.37 Transactions with related parties**

Related parties are the Board of Directors, the Management Board, the subsidiaries, Credit Suisse Group Ltd and its subsidiaries and managed real estate products, the pension fund foundations of the Group, the associated companies and their subsidiaries.

All transactions with related parties are presented and itemised including the relevant amounts in Note 32 «Transactions with related parties».

**2.38 Earnings per share**

Basic earnings per share are determined by dividing the consolidated profit attributable to shareholders of Swiss Prime Site AG by the average number of outstanding shares. The diluted earnings per share are determined by deducting expenses in connection with the convertible bond, such as interest (coupon), amortisation of the proportional costs and tax effects. The potential shares (options and the like) that might lead to a dilution of the number of shares must be taken into account when determining the average number of shares outstanding.

**3 RESTRUCTURING**

The restructuring measures mentioned below were implemented in the reporting period.

**Sale of Jelvoli Bonus Card Ltd**

On 28.05.2010, Swiss Prime Site entered into a sales agreement for its 72.5% share of Jelvoli Bonus Card Ltd with the Swiss banking group Valartis. The sale was finalised on 28.05.2010. The sales price was CHF 10.803 million in cash.

Up until the acquisition of Jelvoli Group on 29.10.2009, the previous year's result from Jelvoli Bonus Card Ltd was accounted for using the equity method and subsequently fully consolidated.

**Jelvoli Bonus Card Ltd's balance sheet as at 28.05.2010**

in CHF 1 000	28.05.2010
Cash	14 353
Other current assets	150 059
Non-current assets	3 152
<b>Total assets</b>	<b>167 564</b>
Current liabilities	159 178
Shareholders' equity	8 386
<b>Total liabilities and shareholders' equity</b>	<b>167 564</b>

**Additional restructuring measures**

Various mergers were carried out with retroactive effect as at 01.01.2010, resulting in significant streamlining of the group structure. An overview of the mergers is provided in Note 33 «Major subsidiaries».

## 4 SEGMENT REPORTING

Since the acquisition of Jelmoli Group on 29.10.2009, retail trade has been added to Swiss Prime Site's main business activity of renting investment properties. The internal reporting and organisational structures have been adapted to these new circumstances. The consolidated financial data are divided into the segments real estate and retail trade, which are subject to reporting requirements. Thanks to this subdivision, the earning power and financial situation of each segment can be assessed.

### Segment income statement

in CHF 1 000	01.01.– 31.12.2010 Total Group	01.01.– 31.12.2009 Total Group	01.01.– 31.12.2010 Eliminations	01.01.– 31.12.2009 Eliminations
Rental income from investment properties	417 276	251 745	(34 938)	(5 788)
– thereof from third and related parties	417 276	251 745	–	–
– thereof from the other segment	–	–	(34 938)	(5 788)
Proceeds of property sales, net	(817)	(19)	–	–
Retail trade turnover, net	156 998	32 822	–	–
Sales proceeds from investment	4 384	–	–	–
Other operating income	15 487	7 019	(52)	(1 310)
<b>Operating income</b>	<b>593 328</b>	<b>291 567</b>	<b>(34 990)</b>	<b>(7 098)</b>
Real estate costs	62 538	35 926	(2 758)	–
Cost of goods sold	75 122	17 786	(59)	–
<b>Direct operating expenses</b>	<b>137 660</b>	<b>53 712</b>	<b>(2 817)</b>	<b>–</b>
Personnel costs	49 996	11 469	–	–
Other operating expenses	53 855	57 023	(32 173)	(7 098)
Depreciation and amortisation	16 891	3 948	6 707	1 783
Impairment on owner-occupied properties	10 212	–	10 212	–
<b>Operating expenses</b>	<b>130 954</b>	<b>72 440</b>	<b>(15 254)</b>	<b>(5 315)</b>
<b>Revaluation of investment properties, properties under construction and development sites, net</b>	<b>86 397</b>	<b>53 941</b>	<b>9 327</b>	<b>(1 974)</b>
<b>Operating profit (EBIT)</b>	<b>411 111</b>	<b>219 356</b>	<b>(7 592)</b>	<b>(3 757)</b>
Financial expenses	128 646	80 481		
Financial income	6 968	2 065		
Income from investments in associates	1 978	32 775		
<b>Profit before income taxes</b>	<b>291 411</b>	<b>173 715</b>		

In the column «Eliminations», the transactions between the segments are eliminated. In addition, these columns contain ordinary depreciation and impairments on owner-occupied properties as well as the elimination of revaluation recorded – affecting net income – in the real estate segment on investment properties used within the Group, which are stated in the consolidated financial statements as «owner-occupied properties».

in CHF 1 000	01.01.– 31.12.2010 Total segments	01.01.– 31.12.2009 Total segments	01.01.– 31.12.2010 Real estate segment	01.01.– 31.12.2009 Real estate segment	01.01.– 31.12.2010 Retail trade segment	01.01.– 31.12.2009 Retail trade segment
Rental income from investment properties	452 214	257 533	434 364	252 639	17 850	4 894
– thereof from third and related parties	417 276	251 745	399 426	246 851	17 850	4 894
– thereof from the other segment	34 938	5 788	34 938	5 788	–	–
Proceeds of property sales, net	(817)	(19)	(817)	(19)	–	–
Retail trade turnover, net	156 998	32 822	–	–	156 998	32 822
Sales proceeds from investment	4 384	–	–	–	4 384	–
Other operating income	15 539	8 329	5 976	2 336	9 563	5 993
<b>Operating income</b>	<b>628 318</b>	<b>298 665</b>	<b>439 523</b>	<b>254 956</b>	<b>188 795</b>	<b>43 709</b>
Real estate costs	65 296	35 926	65 296	35 926	–	–
Cost of goods sold	75 181	17 786	–	–	75 181	17 786
<b>Direct operating expenses</b>	<b>140 477</b>	<b>53 712</b>	<b>65 296</b>	<b>35 926</b>	<b>75 181</b>	<b>17 786</b>
Personnel costs	49 996	11 469	4 836	2 166	45 160	9 303
Other operating expenses	86 028	64 121	34 834	54 298	51 194	9 823
Depreciation and amortisation	10 184	2 165	1 743	570	8 441	1 595
Impairment on owner-occupied properties	–	–	–	–	–	–
<b>Operating expenses</b>	<b>146 208</b>	<b>77 755</b>	<b>41 413</b>	<b>57 034</b>	<b>104 795</b>	<b>20 721</b>
<b>Revaluation of investment properties, properties under construction and development sites, net</b>	<b>77 070</b>	<b>55 915</b>	<b>77 070</b>	<b>55 915</b>	<b>–</b>	<b>–</b>
<b>Operating profit (EBIT)</b>	<b>418 703</b>	<b>223 113</b>	<b>409 884</b>	<b>217 911</b>	<b>8 819</b>	<b>5 202</b>

Jelmoli Bonus Card Ltd is included in the retail trade segment until the date of its sale on 28.05.2010.

#### Composition of operating income

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Income from real estate	416 459	251 726
Retail trade income	147 920	32 822
Credit card income	6 821	2 757
Income from hotel	9 078	1 559
Sales proceeds from investment in subsidiary	4 384	–
Other income	8 666	2 703
<b>Total operating income</b>	<b>593 328</b>	<b>291 567</b>

In the reporting period credit card income from the divested Jelmoli Bonus Card Ltd is included from 01.01.2010 to 28.05.2010 [29.10. to 31.12.2009].

**Segment balance sheet**

in CHF 1 000	31.12.2010 Total Group	31.12.2009 Total Group	31.12.2010 Eliminations	31.12.2009 Eliminations
<b>Total assets</b>	<b>8 317 384</b>	<b>8 528 745</b>	<b>(31 217)</b>	<b>(156 810)</b>
<b>Total liabilities</b>	<b>5 050 206</b>	<b>5 273 499</b>	<b>(31 217)</b>	<b>(156 810)</b>
<b>Investments in non-current assets</b>	<b>230 778</b>	<b>181 125</b>	<b>–</b>	<b>–</b>

in CHF 1 000	31.12.2010 Total segments	31.12.2009 Total segments	31.12.2010 Real estate segment	31.12.2009 Real estate segment	31.12.2010 Retail trade segment	31.12.2009 Retail trade segment
<b>Total assets</b>	<b>8 348 601</b>	<b>8 685 555</b>	<b>8 241 161</b>	<b>8 376 209</b>	<b>107 440</b>	<b>309 346</b>
<b>Total liabilities</b>	<b>5 081 423</b>	<b>5 430 309</b>	<b>5 025 763</b>	<b>5 216 870</b>	<b>55 660</b>	<b>213 439</b>
<b>Investments in non-current assets</b>	<b>230 778</b>	<b>181 125</b>	<b>201 290</b>	<b>179 133</b>	<b>29 488</b>	<b>1 992</b>

All assets of Swiss Prime Site are located in Switzerland.

**5 OPERATING INCOME**

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Target rental income from investment properties	435 776	262 201
Increase of provision for bad and doubtful receivables based on individual valuation	(1 630)	(632)
Release of provision for bad and doubtful receivables based on individual valuation	1 152	382
Write-offs on receivables	(280)	(183)
Vacancies	(17 742)	(10 023)
<b>Rental income from investment properties, net</b>	<b>417 276</b>	<b>251 745</b>
<b>Proceeds of property sales, net</b>	<b>(817)</b>	<b>(19)</b>
Retail trade turnover, gross	164 136	34 027
Discounts	(7 134)	(1 032)
Increase of provision for bad and doubtful receivables based on individual valuation	(12)	–
Release of provision for bad and doubtful receivables based on individual valuation	8	–
Net change in provision for bad and doubtful receivables based on flat rate valuation	–	91
Write-offs	–	(264)
<b>Retail trade turnover, net</b>	<b>156 998</b>	<b>32 822</b>
<b>Sales proceeds from investment</b>	<b>4 384</b>	<b>–</b>
<b>Other operating income</b>	<b>15 487</b>	<b>7 019</b>
<b>Total operating income</b>	<b>593 328</b>	<b>291 567</b>

Swiss Prime Site's main business activity is renting investment properties. Net rental income from investment properties and land lease income totalled CHF 417.276 million [CHF 251.745 million], including CHF 12.255 million [CHF 10.747 million] of variable rental income (turnover-based rentals). Rental income included rental income from either the time at which the individual properties were taken over or since 01.01.2010 [01.01.2009].

During the reporting period, rental income was derived from renting total floor space of 1 429 661 m<sup>2</sup> [1 558 369 m<sup>2</sup>], which was subdivided into 1 408 235 m<sup>2</sup> [1 529 268 m<sup>2</sup>] of commercial space and 21 426 m<sup>2</sup> [29 101 m<sup>2</sup>] of residential space.

Income losses (losses due to vacancies, unpaid rents and write-offs) in the reporting period totalled CHF 18.500 million [CHF 10.456 million], equivalent to a loss of earnings rate of 4.2% [4.0%]. Income losses were deducted from the target rental income. Detailed information can be found under «Property details» starting on page 131.

Since the acquisition of Jelvoli Group, retail trade has become a second key business activity. Net retail trade turnover amounted to CHF 156.998 million [CHF 32.822 million].

Other operating income of CHF 15.487 million [CHF 7.019 million] included income from Jelvoli Bonus Card Ltd until 28.05.2010 and various other income from the real estate and retail trade segments.

As at 31.12.2010, the following termination periods (based on future annual rental income) applied to the individual contractual relationships:

End of contract	31.12.2010	Future rental	31.12.2009	Future rental
	Share in %	income in CHF 1 000	Share in %	income in CHF 1 000
Under 1 year*	16.7	70 603	12.5	54 889
Over 1 year	7.1	30 012	13.5	59 089
Over 2 years	13.0	54 745	8.2	36 001
Over 3 years	8.1	33 994	11.0	48 454
Over 4 years	10.2	42 964	6.7	29 532
Over 5 years	3.3	13 821	4.1	17 925
Over 6 years	3.9	16 239	1.9	8 112
Over 7 years	5.7	24 206	3.1	13 371
Over 8 years	4.3	18 051	5.5	23 991
Over 9 years	4.4	18 531	4.2	18 282
Over 10 years	23.3	98 541	29.3	128 272
<b>Total</b>	<b>100.0</b>	<b>421 707</b>	<b>100.0</b>	<b>437 918</b>

\* contains all unlimited tenancies (residences, parking, commercial properties, etc.)

Future rental income was presented from the real estate segment view.

At the balance sheet date of 31.12.2010, the five largest external tenant groups accounted for 30.1% [30.8%] of future annual rental income. These individual tenants have good creditworthiness. They were the following companies:

31.12.2010		31.12.2009	
	Share in %		Share in %
Coop	9.7	Coop	9.6
UBS	6.3	UBS	6.2
Migros	5.6	Migros	5.3
Credit Suisse Group	4.5	Credit Suisse Group	5.2
Swisscom	4.0	Swisscom	4.5

Under IAS 17, rental agreements represent leasing transactions. The rental agreements are normally indexed; in the case of retail property, additional turnover-based rents are sometimes agreed. Rental agreements are normally entered into for a term of five to ten years, often with a five-year extension option.

**Details regarding the property portfolio**

(15 largest properties based on their fair values)

No. City, address	Type of property*	Fair values CHF 1 000	Share of ownership**	Plot area m <sup>2</sup>	Year of construction	Year of renovation	Vacancy rate %	Floor space m <sup>2</sup>
1 <b>Zurich</b> , Seidengasse 1/ Jelmoli – The House of Brands	1	679 170	1	6 514	1896	2009/ 2010	0.2	32 198
2 <b>Basel</b> , Hochbergerstrasse 70/ Stückli shopping centre	2	379 550	1	46 416	2009	–	4.8	54 869
3 <b>Geneva</b> , Rue du Rhône 48–50	2	377 590	1	5 166	1921	2002	0.5	33 365
4 <b>Zurich</b> , Hardstrasse 221/Prime Tower	3	332 630	1	10 416	2008– 2011	–	n/a	–
5 <b>St. Gallen</b> , Zürcherstrasse 462–464/ Shopping Arena	2	276 270	2	33 106	2008	–	5.8	39 810
6 <b>Grand-Lancy</b> , Route des Jeunes 12/ CCL La Praille	2	252 200	3	20 602	2002	–	1.1	33 344
7 <b>Geneva</b> , Place du Molard 2–4	2	195 440	1	1 718	1690	2002	1.9	7 158
8 <b>Basel</b> , Messeplatz 12/Messturm	2	182 330	3	1 230	2003	–	0.4	24 101
9 <b>Zurich</b> , Sihlcity	2	179 780	2	10 162	2007	–	1.1	23 647
10 <b>Zurich</b> , Affolternstrasse 54, 56/ Cityport	2	151 820	1	10 754	2001	–	0.3	23 365
11 <b>Carouge</b> , Avenue Cardinal- Mermillod 36–44	2	146 460	1	14 927	1956	2002	0.3	35 015
12 <b>Volketswil</b> , shopping centre Volkiland	2	144 340	1	57 940	1985	2003	0.1	34 764
13 <b>Zurich</b> , Fraumünsterstrasse 16	2	137 650	1	2 475	1901	1990	9.5	8 501
14 <b>Zurich</b> , Flurstrasse 55	2	132 060	1	8 270	1979	2002	–	32 116
15 <b>Zug</b> , Zählerweg 8, 10/ Dammstrasse 21, 23/Opus 2	2	123 930	1	8 981	2003	–	–	19 951

\* type of property

1 commercially used properties (investment properties) which are partly owner-used (owner-occupied properties)

2 commercially used properties (pure investment properties)

3 properties under construction and development sites

\*\* share of ownership

1 in sole ownership

2 in co-ownership

3 in land lease

**Further details to the 15 properties mentioned above**

No.	Retail			Offices, practices, etc.			Cinemas and restaurants			Storage facilities			Other commercial units			Apartments		
	no.	m <sup>2</sup>	%	no.	m <sup>2</sup>	%	no.	m <sup>2</sup>	%	no.	m <sup>2</sup>	%	no.	m <sup>2</sup>	%	no.	m <sup>2</sup>	%
1	8	25 219	78.3	18	2 118	6.6	–	–	–	9	2 467	7.7	11	2 394	7.4	–	–	–
2	113	33 325	60.7	13	4 601	8.4	19	9 241	16.8	84	6 567	12.0	30	1 135	2.1	–	–	–
3	12	14 789	44.3	43	11 131	33.4	2	2 394	7.2	22	3 015	9.0	23	2 036	6.1	–	–	–
4	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5	52	22 925	57.6	10	3 835	9.8	6	1 474	3.7	46	7 738	19.4	19	3 788	9.5	–	–	–
6	57	18 678	56.0	2	311	0.9	10	4 327	13.0	42	5 921	17.8	57	4 107	12.3	–	–	–
7	12	2 536	35.4	21	4 034	56.4	1	154	2.2	5	264	3.7	7	170	2.4	–	–	–
8	2	165	0.7	26	13 306	55.2	14	9 818	40.7	9	772	3.2	5	40	0.2	–	–	–
9	86	10 013	42.3	28	5 872	24.8	17	4 463	18.9	94	1 806	7.6	38	1 073	4.5	16	420	1.8
10	–	–	–	14	21 590	92.4	–	–	–	4	1 775	7.6	1	–	–	–	–	–
11	20	8 296	23.7	91	20 022	57.2	2	283	0.8	48	5 216	14.9	16	1 198	3.4	–	–	–
12	42	29 879	85.9	4	784	2.3	4	1 292	3.7	19	2 693	7.7	8	116	0.3	–	–	–
13	1	1 317	15.5	8	6 238	73.4	–	–	–	21	738	8.7	3	208	2.4	–	–	–
14	–	–	–	10	21 621	67.3	–	–	–	7	8 368	26.1	1	2 127	6.6	–	–	–
15	–	–	–	20	18 165	91.0	–	–	–	5	1 786	9.0	–	–	–	–	–	–

## 6 DIRECT OPERATING EXPENSES

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Property expenses	45 035	26 449
Land lease expenses	2 886	1 793
Expenses for third-party services	14 617	7 684
<b>Total real estate costs</b>	<b>62 538</b>	<b>35 926</b>
<b>Total cost of goods sold</b>	<b>75 122</b>	<b>17 786</b>
<b>Total direct operating expenses</b>	<b>137 660</b>	<b>53 712</b>

Property expenses included maintenance and repair costs of CHF 25.707 million [CHF 16.938 million], ancillary costs borne by the owner of CHF 10.336 million [CHF 5.450 million], property-related insurance costs and fees of CHF 7.417 million [CHF 3.634 million] and rent paid to third parties of CHF 1.575 million [CHF 0.427 million].

An amount of CHF 2.886 million [CHF 1.793 million] was spent on land lease expenses, which are detailed in Note 21 «Investment properties».

Of third-party expenses, CHF 11.630 million [CHF 5.826 million] was attributable to property management fees. The total average fee rate as at 31.12.2010 was 2.8% [2.7%] of net income from the rental of investment properties which are managed by facility management companies. An additional CHF 0.716 million [CHF 0.630 million] were costs for the revaluation of properties by Wüest & Partner AG and CHF 2.271 million [CHF 1.228 million] was rental expense and other administrative costs for third parties.

Cost of goods sold is recognised net (after deduction of discount income) and includes services provided by third parties on account of the retail trade segment.

## 7 PERSONNEL COSTS

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Wages and salaries	39 025	7 850
Fees to members of the Board of Directors and members of the Management Board	1 125	992
Social security expenses	3 489	931
Personnel benefit plans	2 477	670
Other personnel expenses	3 562	901
Expenses for personnel and the Board of Directors	318	125
<b>Total personnel costs</b>	<b>49 996</b>	<b>11 469</b>
<b>Number of employees as at 31.12.</b>	<b>602</b>	<b>876</b>

As at 31.12.2010, Swiss Prime Site had 602 [876] employees. Personnel costs showed salaries to employees of Jelvoli Group, fees to the members of the Board of Directors and the Management Board, including the social security contributions on these fees, expenses for the 2 employees of SPS Finance Limited, Jersey (only in the previous year; it was liquidated as at 30.12.2009), and leasing of personnel from Credit Suisse AG, Real Estate Asset Management. Portfolio management for Swiss Prime Site has been entrusted to Credit Suisse AG, Real Estate Asset Management. The corresponding expenses are recognised as administrative expenses in Notes 8 «Other operating expenses» and 32 «Transactions with related parties». The Jelvoli portfolio was managed by employees of Jelvoli Group until the end of the first quarter of 2010. With the handover of the management of the Jelvoli property portfolio as at 01.04.2010 to outsourcing partners, approximately 180 employees from the real estate segment changed too. With the sale of Jelvoli Bonus Card Ltd in May 2010, 82 employees left the Group.

**Pension plan of former Jelmoli Group**

There is a pension fund and welfare foundation for retired employees from the retail trade segment. These two plans are designated as defined benefit plans according to IAS 19. The liabilities and costs were calculated and recorded using actuarial principles according to the regulations of IAS 19. As at 01.04.2010, the employees in the real estate segment transferred to Credit Suisse AG or to Wincasa AG, leading to a partial liquidation of the personnel pension plan. The financial settlement will occur in the second half of 2011 at the latest. The effects on the plan assets of the foundations are not yet definitive. Based on an updated estimate, it can be assumed that a possible remaining excess cover is still of no economic benefit to the employer. For this reason, it is not anticipated that it will have any major effects on the Group's balance sheet and income statement.

**Pension plan of former Arthur Frey AG**

There are two independent foundations for retired employees from the former Arthur Frey AG: the Pension Fund Foundation of Arthur Frey AG and the Supplementary Pension Fund Foundation of Arthur Frey AG in Olten. There are no active employees insured in either of the two foundations. These two plans are designated as defined benefit plans according to IAS 19. The obligations and costs were calculated and recognised using actuarial principles according to the guidance of IAS 19.

**Reconciliations in the defined benefit obligations and plan assets**

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
<b>Reconciliation in defined benefit obligations</b>		
Present value of benefit obligations at beginning of period	321 516	31 485
Current service cost (employer)	3 243	823
Interest cost	9 753	2 692
Contributions by plan participants	2 887	635
Benefits paid	(41 634)	(9 066)
Addition from acquisition of Jelmoli Group	–	294 595
Curtailment and settlements	(34 422)	–
Actuarial (gain)/loss on benefit obligations	44 454	352
<b>Present value of defined benefit obligations at end of period</b>	<b>305 797</b>	<b>321 516</b>
<b>Reconciliation in plan assets</b>		
Fair value of plan assets at beginning of period	393 731	33 845
Expected return on plan assets	13 832	3 379
Contributions by the employer	2 887	635
Contributions by plan participants	2 887	635
Benefits paid	(41 634)	(9 066)
Addition from acquisition of Jelmoli Group	–	362 886
Curtailment and settlements	(36 270)	–
Actuarial gains/(losses) on plan assets	(1 993)	1 417
<b>Fair value of plan assets at end of period</b>	<b>333 440</b>	<b>393 731</b>
<b>Overfunding at beginning of period</b>	<b>(72 215)</b>	<b>(2 360)</b>
<b>Overfunding at end of period</b>	<b>(27 643)</b>	<b>(72 215)</b>

**Amounts recognised in the consolidated balance sheet**

in CHF 1 000	31.12.2010	31.12.2009
Present value of funded defined benefit obligations	305 797	321 516
Fair value of plan assets	333 440	(393 731)
<b>Overfunding at end of period</b>	<b>(27 643)</b>	<b>(72 215)</b>
Unrecognised actuarial gains/(losses)	(5 343)	1 143
Amounts not recognised	33 341	71 421
<b>Net defined benefit obligations recognised in the consolidated balance sheet</b>	<b>355</b>	<b>349</b>

**Pension expenses recognised in the consolidated income statement**

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Current service cost (employer)	3 243	823
Interest cost	9 753	2 692
Expected return on plan assets	(13 832)	(3 379)
Actuarial loss/(gain) recognised in current period (§ 58A)	39 961	–
Effect of § 58(b) – limitation	(38 080)	770
Effect of curtailment and settlements	1 848	–
Other	–	78
<b>Net cost of employer pension provisions under IAS 19</b>	<b>2 893</b>	<b>984</b>

**Movements in the net defined benefit obligations recognised in the consolidated balance sheet**

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Net liability at beginning of period	349	–
Expense recognised in profit or loss	2 893	984
Contributions by the employer	(2 887)	(635)
<b>Net pension liability recognised in the consolidated balance sheet</b>	<b>355</b>	<b>349</b>

**Experienced profits and losses**

in CHF 1 000	2010	2009	2008	2007	2006
Actual return on plan assets	11 389	4 796	(3 406)	523	1 985
Actuarial gain/(loss) on plan assets	(1 993)	1 417	(5 131)	(1 128)	(192)
Experienced adjustments on defined benefit obligations (gain)/loss	(22 525)	(87)	(599)	(108)	(300)
Present value of the defined benefit obligations at end of period	305 797	321 516	31 485	33 411	37 428
Fair value of plan assets at end of period	(333 440)	(393 731)	(33 845)	(41 067)	(44 817)

**Plan assets on balance sheet date**

Asset categories	31.12.2010 Asset structure in %	31.12.2009 Asset structure in %
Equity instruments	19.6	17.9
Debt instruments	54.9	50.5
Real estate	19.8	17.8
Other	5.7	13.8
<b>Total plan assets</b>	<b>100.0</b>	<b>100.0</b>

The following assumptions were applied to the valuation of the pension benefit plans:

in % p.a.	31.12.2010	31.12.2009
Discount rate	2.5	3.3
Expected rate of return on plan assets	3.8	3.8
Future salary increases	1.0	–
Expected future pension increases	–	0.5

It is expected that Swiss Prime Site will make CHF 2.175 million in contribution to defined benefit plans in 2011 (based on number of employees as per 31.12.2010).

**8 OTHER OPERATING EXPENSES**

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Cost of space	4 137	355
Maintenance and repair of tangible assets	4 532	287
Non-life insurance, fees	3 821	429
Capital taxes	3 039	2 877
Administrative expenses	24 709	48 975
Audit and consultancy costs	4 582	1 187
Advertising	9 035	2 913
<b>Total other operating expenses</b>	<b>53 855</b>	<b>57 023</b>

Cost of space included rents paid to third parties of CHF 0.183 million [CHF 0.340 million] and ancillary costs including cleaning, energy and water of CHF 3.954 million [CHF 0.015 million].

Expenses for tangible assets included maintenance and repair expenses as well as leasing expenses.

Capital taxes were calculated using the effective tax rates on the basis of intercantonal tax allocation. The capital taxes of Swiss Prime Site AG, SPS Beteiligungen Alpha AG, SPS Beteiligungen Beta AG and SPS Beteiligungen Gamma AG are reduced due to the holding privilege. SPS Finance Limited (liquidated as at 30.12.2009) was not subject to any capital taxes.

Administrative expenses consisted mainly of the net management fee (after deduction of VAT) for the fulfilment, monitoring and supervision of the financial matters of Swiss Prime Site by the related Credit Suisse AG of CHF 20.490 million [CHF 12.215 million]. Administrative expenses in the previous year also reflected CHF 28.305 million in expenditures relating to the acquisition of Jelmoli Group. The remainder represented reporting costs and other administrative expenses.

Audit and consultancy costs reflected consultancy fees of CHF 1.942 million [CHF 0.452 million], as well as CHF 0.215 million [CHF 0.000 million] for advisory-related expenses in connection with the acquisition of Jelmoli Group, in addition to CHF 1.255 million [CHF 0.000 million] for advisory services rendered by the related Wincasa for Jelmoli – The House of Brands. Audit fees amounted to CHF 1.170 million [CHF 0.735 million].

## 9 REVALUATION OF INVESTMENT PROPERTIES, PROPERTIES UNDER CONSTRUCTION AND DEVELOPMENT SITES

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Revaluation	198 193	89 919
Devaluation	(111 796)	(35 978)
<b>Total revaluation of investment properties, properties under construction and development sites, net</b>	<b>86 397</b>	<b>53 941</b>

It is a requirement under IAS 40 to value investment properties, properties under construction and development sites with projected use as investment properties at fair value. During the reporting period, the entire portfolio underwent a net revaluation of CHF 86.397 million [CHF 53.941 million]. Further information is available in Note 21 «Investment properties».

## 10 FINANCIAL EXPENSES AND FINANCIAL INCOME

### Financial expenses

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Interest expenses	119 653	77 979
Income statement affecting adjustment of fair value of financial instruments	8 407	2 459
Other financial expenses	586	43
<b>Total financial expenses</b>	<b>128 646</b>	<b>80 481</b>

The financial expenses were paid to Credit Suisse Group and to third parties. Market conditions were always applied (see Notes 26 «Current liabilities» and 27 «Non-current financial liabilities»).

### Financial income

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Interest income	5 689	1 972
Dividend income on securities and financial investments	158	2
Profit on convertible bond buyback	–	65
Income statement affecting adjustment of fair value of financial instruments	31	20
Other financial income	1 090	6
<b>Total financial income</b>	<b>6 968</b>	<b>2 065</b>

Interest income was derived primarily from the credit card business divested in May 2010. Financial income was always realised in line with market conditions from related and third parties (see Notes 3 «Restructuring», 13 «Cash» and 19 «Non-current financial investments»).

## 11 INCOME TAXES

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Current income taxes for reporting period	30 725	6 333
Current income taxes for previous years	1 881	(2 945)
<b>Total current income taxes</b>	<b>32 606</b>	<b>3 388</b>
Deferred taxes resulting from revaluation and depreciation	33 631	24 834
Deferred taxes resulting from the sale of investment properties	(19 756)	(4 118)
Deferred taxes from tax rate changes and reductions following reduction of ownership period	(161)	(5 798)
Deferred taxes resulting from the adjustment of the estimated holding period of investment properties	–	(31 046)
Deferred taxes resulting from loss offsetting	7 750	(6 000)
Other deferred taxes	1 545	4 616
<b>Total deferred taxes</b>	<b>23 009</b>	<b>(17 512)</b>
<b>Total income taxes</b>	<b>55 615</b>	<b>(14 124)</b>

The increase in current income taxes in the reporting period was mainly attributable to the fact that income tax for Jelmolli Group was reported for just roughly two months in the previous year (CHF +15.437 million), elimination of the positive tax effects from the liquidation of SPS Finance Limited, Jersey, (CHF +4.785 million), as well as tax effects on income that could no longer be offset against loss carry-forwards (CHF +4.170 million).

Current income taxes were calculated at the effective maximum tax rates. Agreements with the appropriate tax authorities were considered. Pursuant to IAS 12, current income taxes were divided into current income taxes for the reporting period and current income taxes for previous years.

Deferred taxes were split in deferred taxes due to revaluation and depreciation, sale of investment properties, tax rate changes and reductions following reduction of ownership period, changes in estimated holding period of investment properties and other deferred taxes. Deferred tax assets on losses carried forward that can in all probability be offset against future profits were recognised on the balance sheet, or released as a result of loss offsetting. Deferred taxes are subject to the risk of tax rate changes as well as changes in the cantonal tax regulations.

### Income taxes/reconciliation

Income taxes have been calculated using the effective tax rates. Liabilities for current income taxes are recognised in the balance sheet as current income tax liabilities under current liabilities.

The following tax reconciliation shows how the effective tax burden deviated from the average rate.

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Profit before income taxes	291 411	173 715
Income taxes at average tax rate of 23%	67 025	39 954
Taxes at other rates (including property gains taxes)	(11 978)	(9 811)
Income taxes for previous years	1 881	(2 945)
Deferred taxes resulting from the adjustment of the estimated holding period	–	(31 046)
Change of deferred tax assets and use of losses carried forward for which no deferred tax assets have been recognised	(8 974)	(12 869)
Tax-neutral revenues and expenses	8 631	2 593
Other effects	(970)	–
<b>Total income taxes</b>	<b>55 615</b>	<b>(14 124)</b>

**Deferred taxes**

Where the revaluations according to IFRS as against the fiscal values were due to recaptured, previously claimed depreciation, the taxes have been allocated per property after deduction of any applicable property gains tax and taken into account separately. Tax rates of between 5.7% and 18.0% were applied.

Upward revaluations exceeding the recaptured, previously claimed depreciation are taxed using two different systems. Cantons which do not levy any special taxes also calculate taxes at the above rates. The other cantons levy a separate property gains tax using rates of between 3.0% and 25.0%.

Accordingly, property gains taxes are reduced in proportion to the duration of ownership of the property. Due to the acquisition of Jelmoli Group last year, the previous assessment of the Group regarding the minimum holding period of properties was examined in detail. Since then Swiss Prime Site generally assumes ownership for a minimum period of 20 years, which means that speculation premiums are not taken into account. Deferred tax expenses as a result of depreciation under commercial law and revaluation amounted to CHF 33.631 million [CHF 24.834 million]. The deferred taxes on revaluation of owner-occupied properties totalling CHF 1.746 million [CHF 0.601 million] were charged to shareholders' equity.

Total deferred tax expense [revenue] of CHF 23.009 million [CHF 17.512 million] was debited [credited] to the consolidated income statement. This was mainly due to the fact that deferred tax liabilities or assets had to be taken into account for revaluation and depreciation under commercial law. The total deferred tax assets were released because the relevant losses carried forward were offset with profits in the reporting period.

**Deferred tax assets**

in CHF 1 000	31.12.2010	31.12.2009
Taxable losses carried forward of subsidiaries	3 305	81 717
<b>Possible tax effect on unconsidered taxable losses carried forward at an average rate of 23%</b>	<b>760</b>	<b>18 795</b>
Losses carried forward which can in all probability be offset against future profits	–	(33 696)
<b>Total recognised deferred tax assets at an average rate of 23%</b>	<b>–</b>	<b>(7 750)</b>
<b>Total deferred tax assets not recognised at an average rate of 23%</b>	<b>760</b>	<b>11 045</b>

According to IAS 12 «Income taxes», deferred tax assets (for losses carried forward and tax credits) can only be recognised if the facts and timing of their utilisation have been established.

Taxable losses carried forward of subsidiaries for which no deferred tax assets were recognised expired as follows:

**Expiring taxable losses carried forward for which no deferred tax assets were recognised**

in CHF 1 000	31.12.2010	31.12.2009
Under 1 year	–	180
After 1 year	236	3 666
After 2 years	929	3 763
After 3 years	547	2 817
After 4 years	155	5 817
After 5 years	627	7 520
After 6 years	811	7 504
After 7 and more years	–	16 754
<b>Total expiring taxable losses carried forward</b>	<b>3 305</b>	<b>48 021</b>

Loss carry-forwards from previous years were to a large extent offset against profits in the reporting period due to the respective restructurings/mergers that were carried out; a reduction (roughly CHF 5.7 million) was based on the divestment of Jelvoli Bonus Card Ltd, respectively.

**12 EARNINGS PER SHARE**

The profit used to calculate the earnings per share or the diluted earnings per share was the profit for the period attributable to shareholders of Swiss Prime Site AG. According to IAS 33, both the basic earnings per share and the diluted earnings per share must be reported.

**Average number of shares**

Number of shares	01.01.–31.12.2010	01.01.–31.12.2009
Shares issued 01.01.–31.12. (360 days)	54 368 714	25 653 598
Issue for acquisition of the participation in Jelvoli Holding Ltd from Pelham Investments Ltd, weighted	–	2 414 222
Issue for the implementation of the Jelvoli exchange offer including exchange against Jelvoli employee options, weighted	–	4 149 339
Average number of treasury shares (360 days)	(173 262)	(1 465 828)
Average weighted number of shares 01.01.–31.12. (360 days)	54 195 452	30 751 331

The average weighted earnings per share and NAV per share in CHF amounted to:

<b>Earnings per share</b>	<b>4.34</b>	<b>6.09</b>
<b>Diluted earnings per share</b>	<b>4.15</b>	<b>5.81</b>
<b>NAV before deferred taxes per share*</b>	<b>72.11</b>	<b>71.22</b>
<b>NAV after deferred taxes per share*</b>	<b>60.14</b>	<b>59.52</b>

\* Non-controlling interests recognised in shareholders' equity are not included in the calculation of the NAV.

When calculating diluted earnings per share, the profit attributable to shareholders of Swiss Prime Site AG of CHF 235.041 million [CHF 187.408 million] was corrected by the following effects as a result of the convertible bond: interest (coupon), amortisation of proportional costs and tax effect. This resulted in a diluted profit of CHF 241.761 million [CHF 190.477 million]. The weighted number of shares of 54 195 452 [30 751 332] increased by the maximum weighted number of shares that can be issued on a conversion of 3 999 165 [2 011 025] to 58 194 617 [32 762 357] shares.

Based on the conversion price as at 31.12.2010 of CHF 71.89 per share and assuming a 100% conversion, 4 173 042 new shares could be issued. The convertible bond was issued on 20.01.2010.

### 13 CASH

in CHF 1 000	31.12.2010	31.12.2009
Cash on hand	1 791	2 216
Sight deposits with third parties	620	38 832
Sight deposits with related parties	7 389	31 925
Fixed-term deposits	–	17 500
<b>Total cash</b>	<b>9 800</b>	<b>90 473</b>

Sight deposits comprised bank accounts exclusively. The investments were made at market conditions.

### 14 ACCOUNTS RECEIVABLE

in CHF 1 000	31.12.2010	31.12.2009
Accounts receivable from third parties	94 546	167 983
Accounts receivable from related parties	4 609	164
<b>Total accounts receivable, gross</b>	<b>99 155</b>	<b>168 147</b>
Impairments	(1 669)	(1 187)
<b>Total accounts receivable</b>	<b>97 486</b>	<b>166 960</b>

Most of the accounts receivable related to claims for rent and ancillary costs as well as customer claims in connection with the retail trade segment [credit card claims].

#### Due dates of receivables

in CHF 1 000	31.12.2010 Gross receivables	31.12.2010 Provision for bad and doubtful receivables	31.12.2009 Gross receivables	31.12.2009 Provision for bad and doubtful receivables
Not yet due	87 424		157 713	
Due between 0 and 30 days	2 224		3 255	
Due between 31 and 90 days	2 760		1 021	
Due between 91 and 120 days	757		912	
Due for more than 120 days	5 990		5 246	
<b>Total gross receivables and provisions for bad and doubtful receivables</b>	<b>99 155</b>	<b>1 669</b>	<b>168 147</b>	<b>1 187</b>

Receivables not yet due are primarily receivables from cumulative ancillary costs of the current ancillary cost period [credit card claims].

**Development of the provision for bad and doubtful receivables**

in CHF 1 000	31.12.2010	31.12.2009
<b>Provision for bad and doubtful receivables at beginning of period</b>	<b>1 187</b>	<b>937</b>
Increase of provision for bad and doubtful receivables based on individual valuation	1 642	632
Release of provision for bad and doubtful receivables based on individual valuation	(1 160)	(382)
<b>Total provision for bad and doubtful receivables at end of period</b>	<b>1 669</b>	<b>1 187</b>

**15 OTHER RECEIVABLES**

in CHF 1 000	31.12.2010	31.12.2009
Current accounts receivable from third parties	41	90
Current accounts receivable from related parties	8 194	7 036
<b>Total current accounts receivable</b>	<b>8 235</b>	<b>7 126</b>
Other receivables	249	4 694
Withholding tax credits	932	2 544
VAT credits	6 179	7 979
<b>Total other receivables</b>	<b>15 595</b>	<b>22 343</b>

Current accounts receivable from related parties included receivables from pension fund foundations of Jelvoli Group of CHF 0.006 million [CHF 2.020 million] and receivables from real estate management companies of CHF 8.188 million [CHF 5.016 million]. The real estate management companies transfer the cumulated real estate surpluses or current accounts receivable to the relevant company on a monthly basis.

**16 INVENTORIES**

in CHF 1 000	31.12.2010	31.12.2009
Merchandise	24 010	19 240
Other inventories	157	1 474
Impairments	(880)	(940)
<b>Total inventories</b>	<b>23 287</b>	<b>19 774</b>

Inventories include merchandise from retail trade.

**17 ACCRUED INCOME AND PREPAID EXPENSES**

in CHF 1 000	31.12.2010	31.12.2009
Accrued income and prepaid expenses	20 405	22 551
<b>Total accrued income and prepaid expenses</b>	<b>20 405</b>	<b>22 551</b>

Accrued income and prepaid expenses included mainly accruals from the real estate accounts (essentially rents and ancillary costs) of CHF 17.553 million [CHF 18.992 million].

The remaining accruals and deferrals were in the areas of capital taxes, human resource and administrative expenses, as well as expenses in the retail trade and financing.

## 18 ASSETS HELD FOR SALE

Pursuant to IFRS 5, assets held for sale are recognised separately in the balance sheet.

in CHF 1 000	31.12.2010	31.12.2009
<b>Basel</b> , Steinvorstadt 67, sold	–	14 340
<b>Belp</b> , Aemmenmattstrasse 43	19 480	20 000
<b>Burgdorf</b> , Emmentalstrasse 14	–	8 272
<b>Burgdorf</b> , Industry Buchmatt	14 680	–
<b>Frick</b> , Hauptstrasse 132/Fricktal-Centre A3	20 190	–
<b>Granges-Paccot</b> , Route d'Agy 3	7 775	–
<b>Interlaken</b> , Rosenstrasse 9	992	–
<b>Klus-Balsthal</b> , Wengimattstrasse 1/ Solothurnerstrasse	1 519	–
<b>Mägenwil</b> , Birrfeldstrasse/allotment north	2 670	–
<b>Moosseedorf</b> , Moosseestrasse 21	1 935	–
<b>Moosseedorf</b> , Moosseestrasse 23	4 745	–
<b>Oberwil</b> , Mühlemattstrasse 23	4 422	–
<b>Olten</b> , Baslerstrasse 37/Ringstrasse 1, sold	–	10 140
<b>Romanshorn</b> , Alleestrasse 27	750	–
<b>Rümlang</b> , Hofwissenstrasse 50	–	21 520
<b>Schattdorf</b> , Umfahrungsstrasse 2	973	–
<b>Solothurn</b> , Lagerhausstrasse 1	9 947	9 875
<b>Spreitenbach</b> , Fegistrasse 14–22	11 180	–
<b>Spreitenbach</b> , Müslistrasse 44	4 791	–
<b>Thônex</b> , Avenue Adrien-Jeandin 4, sold	–	6 050
<b>Vevey</b> , Rue du Simplon 11, sold	–	3 935
<b>Villars-sur-Glâne</b> , Route du Petit-Moncor 1, 1a, 1b, sold	–	29 480
<b>Wangen near Olten</b> , Dorfstrasse 11, 13	3 454	3 788
<b>Wangen near Olten</b> , Rickenbacherfeld	1 487	1 487
<b>Wetzikon</b> , Hinwilerstrasse 11	2 035	–
<b>Zofingen</b> , Pfistergasse 2, 12, 14, 16, 20	4 051	–
<b>Zofingen</b> , Pfistergasse 22	899	–
<b>Zurich</b> , Freilagerstrasse 39, sold	–	10 300
<b>Zurich</b> , Kreuzstrasse 54	12 650	–
<b>Zurich</b> , Limmattalstrasse 180	–	2 831
<b>Total assets held for sale</b>	<b>130 625</b>	<b>142 018</b>

Various properties that are not in line with the Group's strategy in the real estate segment are intended for sale.

The investment properties held for sale are valued at fair value the same as the investment properties stated in non-current assets. On conclusion of sale, payment is secured via a legally binding promise to pay from a corporate bank or insurance company.

The disposal gains or losses are reported under net proceeds of property sales (see Note 5 «Operating income»).

## 19 NON-CURRENT FINANCIAL INVESTMENTS

in CHF 1 000	31.12.2010	31.12.2009
Loans	688	1 805
Other non-current financial investments	1 341	1 484
<b>Total non-current financial investments</b>	<b>2 029</b>	<b>3 289</b>

Loans comprise three [four] fixed-rate loans with a term of up to 13 [14] years and an interest rate of 0 to 8%.

Other non-current financial investments are various non-consolidated investments with a share of less than 20% and without significant influence.

## 20 INVESTMENTS IN ASSOCIATES

The following investments in associates were valued according to the equity method:

in CHF 1 000	31.12.2010	31.12.2009
Ensemble artisanal et commercial de Riantbosson S.A., Frauenfeld	2 249	2 249
Parkgest Holding SA, Geneva	8 976	8 719
Parking Riponne S.A., Lausanne	1 633	1 632
<b>Total investments in associates</b>	<b>12 858</b>	<b>12 600</b>
Proportional result of the period	1 978	258
Less dividends received	(2 223)	–
<b>Total investments in associates</b>	<b>12 613</b>	<b>12 858</b>

All investments in associates were acquired in connection with the acquisition of Jelmoli Group. The pro rata previous year's results pertain to the period 29.10. to 31.12.2009.

Summary of financial information on associated companies (not adjusted in Swiss Prime Site's shareholding interest):

in CHF 1 000	31.12.2010	31.12.2009
Current assets	24 426	24 427
Non-current assets	36 048	37 669
Current liabilities	10 201	9 144
Non-current liabilities	15 613	17 412
<b>Net assets</b>	<b>34 660</b>	<b>35 540</b>
Income	27 482	25 798
<b>Annual result</b>	<b>3 143</b>	<b>6 763</b>

## 21 INVESTMENT PROPERTIES

in CHF 1 000	Building land	Commer- cial prop- erties without significant residential space	Commer- cial prop- erties with minimal residential space	Properties held for sale	Total investment properties	Properties under con- struction/ develop- ment sites	Total at fair value
<b>As at 01.01.2009</b>	–	<b>3 246 017</b>	<b>179 995</b>	<b>139 163</b>	<b>3 565 175</b>	<b>220 318</b>	<b>3 785 493</b>
Follow-up investments	–	43 811	153	225	44 189	133 364	177 553
Additions from the acquisition of Jelmoli Group	58 976	3 457 310	161 354	11 192	3 688 832	92 440	3 781 272
Transfer from investment properties to properties held for sale	–	(29 270)	–	29 270	–	–	–
Transfer from properties under construction to investment properties*	–	104 890	–	–	104 890	(104 890)	–
Disposal by sale	–	(101 580)	(17 280)	(36 508)	(155 368)	–	(155 368)
Positive fair value adjustment	192	25 172	29 915	1 302	56 581	33 338	89 919
Negative fair value adjustment	(5 110)	(21 237)	(1 935)	(2 626)	(30 908)	(5 070)	(35 978)
<b>Fair value adjustment 2009</b>	<b>(4 918)</b>	<b>3 935</b>	<b>27 980</b>	<b>(1 324)</b>	<b>25 673</b>	<b>28 268</b>	<b>53 941</b>
<b>As at 31.12.2009</b>	<b>54 058</b>	<b>6 725 113</b>	<b>352 202</b>	<b>142 018</b>	<b>7 273 391</b>	<b>369 500</b>	<b>7 642 891</b>
Follow-up investments	13	49 741	179	117	50 050	147 666	197 716
Transfer from investment properties to properties held for sale	(2 662)	(90 326)	(3 064)	96 052	–	–	–
Transfer of properties held for sale to investment properties	–	32 623	–	(32 623)	–	–	–
Transfer of properties under construction to investment properties**	–	10 610	–	–	10 610	(10 610)	–
Transfer of investment properties to properties under construction***	–	(16 120)	–	–	(16 120)	16 120	–
Transfer of owner-occupied properties to investment properties****	–	155 046	–	–	155 046	–	155 046
Transfer of investment properties to owner-occupied properties*****	–	(2 803)	–	–	(2 803)	–	(2 803)
Disposals from sales	(15 584)	(201 022)	(48 535)	(74 245)	(339 386)	–	(339 386)
Positive fair value adjustment	25	149 110	10 795	2 503	162 433	35 760	198 193
Negative fair value adjustment	(470)	(107 658)	(105)	(3 197)	(111 430)	(366)	(111 796)
<b>Fair value adjustment 2010</b>	<b>(445)</b>	<b>41 452</b>	<b>10 690</b>	<b>(694)</b>	<b>51 003</b>	<b>35 394</b>	<b>86 397</b>
<b>As at 31.12.2010</b>	<b>35 380</b>	<b>6 704 314</b>	<b>311 472</b>	<b>130 625</b>	<b>7 181 791</b>	<b>558 070</b>	<b>7 739 861</b>

\* Berne, Mingerstrasse 12–18/PostFinance Arena, was reclassified as investment property in 2009.

\*\* Olten, Solothurnerstrasse 231/Usego was reclassified as investment property in 2010.

\*\*\* Zurich, Hardstrasse/Maaghof, was reclassified as property under construction in 2010 due to scheduled new construction (formerly part of investment property Zurich, Hardstrasse 219/Maaghof & Event).

\*\*\*\* reclassification of various owner-occupied properties, see Note 22 «Owner-occupied properties»

\*\*\*\*\* Olten, Froburgstrasse 1, partial reclassification into owner-occupied properties as a consequence of setting up own offices in 2010

in CHF 1 000	Building land	Commercial properties without significant residential space	Commercial properties with minimal residential space	Properties held for sale	Total investment properties	Properties under construction/development sites	Total
<b>Fire insurance values*</b>							
On 01.01.2009	–	3 018 481	145 902	253 473	3 417 856	182 670	3 600 526
On 01.01.2010	2 951	5 430 518	298 860	250 406	5 982 735	316 491	6 299 226
<b>On 31.12.2010</b>	<b>3 161</b>	<b>5 535 480</b>	<b>254 156</b>	<b>186 985</b>	<b>5 979 782</b>	<b>471 757</b>	<b>6 451 539</b>
<b>Net rental income</b>							
01.01.–31.12.2009	67	229 741	11 132	10 187	251 127	618	251 745
<b>01.01.–31.12.2010</b>	<b>344</b>	<b>384 217</b>	<b>19 119</b>	<b>10 329</b>	<b>414 009</b>	<b>3 267</b>	<b>417 276</b>
<b>Losses due to vacancies and unpaid rents in %</b>							
01.01.–31.12.2009	–	3.2	7.2	16.8	4.0	0.2	4.0
<b>01.01.–31.12.2010</b>	<b>0.1</b>	<b>3.3</b>	<b>4.9</b>	<b>29.4</b>	<b>4.2</b>	<b>–</b>	<b>4.2</b>
<b>Sales proceeds</b>							
01.01.–31.12.2009 gains	–	730	–	488	1 218	–	1 218
01.01.–31.12.2009 losses	–	(924)	(2)	(311)	(1 237)	–	(1 237)
<b>01.01.–31.12.2010 gains</b>	<b>1 430</b>	<b>2 485</b>	<b>1 976</b>	<b>–</b>	<b>5 891</b>	<b>–</b>	<b>5 891</b>
<b>01.01.–31.12.2010 losses</b>	<b>(67)</b>	<b>(3 308)</b>	<b>(992)</b>	<b>(2 341)</b>	<b>(6 708)</b>	<b>–</b>	<b>(6 708)</b>

\* There were no building insurance values for properties under construction. For building projects, the respective builders' liability insurance had been taken out.

The fair value adjustments are made on the basis of a regular (semi-annual) fair value appraisal by a renowned independent real estate expert (Wüest & Partner AG, Zurich) using the discounted cash flow method. The discount rates for the valuation of investment properties, building land, investment properties held for sale, properties under construction and development sites were between 3.6% and 5.9% [3.8% to 6.0%] on the balance sheet date.

At the balance sheet date, 21 [13] investment properties were held for sale.

#### Sensitivity of fair value

In the following analysis, the existing real estate portfolio (excluding building land, projects and development sites) is taken into account with a current fair value as at the balance sheet date of CHF 7 422.7 million (fair value of entire portfolio is CHF 8 020.3 million).

An adjustment in fair value can result from changes in various market and property factors, or several valuation parameters: e.g. changes in rental income, real estate costs and discount rates (returns). With regard to potential changes in the market environment, sensitivity is given particularly regarding discount rates. The fair value adjustment in connection with the change in discount rate is depicted as follows (average discount rate over the entire portfolio, approximate calculation):

Average discount rate	Change in fair value in %	Change in fair value in CHF 1 000	Fair value in CHF 1 000
4.3%	6.5	482 500	7 905 200
4.4%	4.2	311 800	7 734 500
4.5%	2.1	155 900	7 578 600
<b>4.6% (valuation as at 31.12.2010)</b>	<b>–</b>	<b>–</b>	<b>7 422 700</b>
4.7%	(2.0)	(148 500)	7 274 200
4.8%	(3.9)	(289 500)	7 133 200
4.9%	(5.8)	(430 500)	6 992 200
5.0%	(7.6)	(564 100)	6 858 600
5.1%	(9.3)	(690 300)	6 732 400
5.2%	(10.9)	(809 100)	6 613 600

An increase in the discount rate (expected return) over the entire portfolio of more than 50 basis points within a short period seems very improbable. In this regard, real estate returns trend much more sluggishly than nominal interest rates on bonds or mortgages. Vice versa, in the current environment marked by still moderate returns on real estate in Switzerland, a discount rate that is more than 30 basis points lower over the entire portfolio also seems improbable.

The impact of changes in rental income on fair value is also essentially significant. However, substantial changes in rental income over the entire portfolio (with a varying diversity of uses and tenants) in an accumulated form and within a shorter period are less probable, whereas more significant effects on the portfolio would occur with a prolonged time lag. A linear correlation between rental income and fair values can be approximately assumed, whereby the rental income forecast in the valuation comprises several components, such as current contractually guaranteed rents and market rental estimates after the present contracts have expired. If just one of these components changes, the impact on fair value is diminished (for example, fair value declines by 3.4% given a reduction of market rental potential of 4.0%).

Change in market rental potential	Change in fair value in %	Change in fair value in CHF 1 000	Fair value in CHF 1 000
6.0%	5.2	386 000	7 808 700
4.0%	3.4	252 400	7 675 100
2.0%	1.7	126 200	7 548 900
<b>0.0% (valuation as at 31.12.2010)</b>	<b>–</b>	<b>–</b>	<b>7 422 700</b>
(2.0%)	(1.7)	(126 200)	7 296 500
(4.0%)	(3.4)	(252 400)	7 170 300
(6.0%)	(5.2)	(386 000)	7 036 700
(8.0%)	(6.9)	(512 200)	6 910 500
(10.0%)	(8.6)	(638 400)	6 784 300

The sensitivity of fair values with regard to changes in recurring real estate costs for operation and proper maintenance is considerably lower than in the case of the aforementioned factors. However, the impact of modified costs for renovations and restructuring or construction costs for projects can have substantial effects on the fair value of the relevant real estate. Since this concerns only a limited number of affected properties over the entire portfolio, the sensitivity is relativised in this regard.

All in all, any adjustment in the fair value of the entire portfolio of more than 5% within a year is regarded as less probable.

### Current development and new building projects

City, address	Additional information
<b>Zurich,</b> Hardstrasse, Maag site	<ul style="list-style-type: none"> <li>• <b>Project description:</b> Site construction on former industrial site with mixed use (total usable floor space of roughly 124 600 m<sup>2</sup>, of which approximately 26 800 m<sup>2</sup> residential space). New buildings are to be constructed and conversions carried out in several stages. Floor space of 68 000 m<sup>2</sup> – or around 55% of the possible maximum floor space – will first be created until summer 2011 in form of the 126-metre-high Prime Tower and its two annex buildings Cubus and Diagonal as well as the Platform corporate building.</li> <li>• <b>Project status:</b> The foundation stone for Prime Tower was laid in November 2008, and the topping-out ceremony was celebrated on 07.07.2010. The foundation stone for the Platform corporate building was laid on 22.08.2009, and its topping-out ceremony was held nearly at the same time as Prime Tower's, on 08.07.2010. As of 31.12.2010, all buildings were already undergoing interior construction activity. The building application for the Maaghof project – which comprises 23 700 m<sup>2</sup> of rental floor space and envisages around 220 apartments and commercial utilisation on the ground floor – was submitted in January 2011.</li> <li>• <b>Occupancy rate</b> (excluding Maaghof) as of 31.12.2010: 85% (income)*</li> <li>• <b>Completion:</b> Prime Tower and annex buildings: June 2011; Platform: May 2011</li> </ul>
<b>Basel,</b> Hochbergerstrasse 60, Stückli Business Park	<ul style="list-style-type: none"> <li>• <b>Project description:</b> Redevelopment of industrial wasteland. A ten-storey commercial and office building consisting of roughly 37 000 m<sup>2</sup> of rental space will be built in five stages. The multi-functional building concept also offers ideal conditions for the life sciences sector. For example, the emerging medical technology company Medartis has concentrated all of its activities here, situated on an area of around 15 000 m<sup>2</sup>.</li> <li>• <b>Project status:</b> Following the start-up of construction in November 2007, the building is being erected in five equal stages, of which four stages have been completed at present. Construction of the fifth and final stage started in spring 2010, and the building shell was just poised to be completed as of 31.12.2010. The property also comprises some already existing buildings and significant exploitation potential.</li> <li>• <b>Occupancy rate</b> (income)*: 55%</li> <li>• <b>Completion:</b> occupancy of stages 1 to 3 from June 2009, with further occupancy staggered, final completion in August 2011</li> </ul>

\* Data on occupancy rates (income-based) are as at 31.12.2010.

### Swiss Prime Site as land lease holder

Where a land lease is concerned, it should be checked using general criteria according to IAS 17 whether it is an operating or finance lease. Based on analyses and present value tests, it was determined that all current land lease contracts (Swiss Prime Site as land lease holder and land lease grantor) are operating leases. Swiss Prime Site is the land lease holder for the following properties:

### Properties subject to land leases

Basel, Hochbergerstrasse 40/parking  
 Basel, Messeplatz 12/Messeturm  
 Berne, Mingerstrasse 12–18/PostFinance Arena  
 Berne, Weltpoststrasse 5  
 Biel, Solothurnstrasse 122  
 Burgdorf, Industry Buchmatt  
 Conthey, Route Cantonale 4  
 Conthey, Route Cantonale 11  
 Dietikon, Zentralstrasse 12  
 Dübendorf, Bahnhofstrasse 1  
 Eyholz, Kantonsstrasse 79  
 Geneva Airport, Route de Pré-Bois 16, sold

Geneva Airport, Route de Pré-Bois 10/underground car park  
 Grand-Lancy, Route des Jeunes 10  
 Grand-Lancy, Route des Jeunes 12/CCL La Praille  
 Heimberg, Gurnigelstrasse 38  
 Locarno, Parking Centro  
 Meyrin, Route de Meyrin 210  
 Moosseedorf, Moosstrasse 23  
 Moosseedorf, Moosstrasse 21  
 Oberwil, Mühlemattstrasse 23  
 Porrentruy, Rue Pierre-Péquignat 7, sold  
 Spreitenbach, Fegistrasse 14–22  
 Zuchwil, Dorfackerstrasse 45/Birchi-Centre  
 Zurich, Limmattalstrasse 180

### Key figures of the land leases

Land lease areas	142 m <sup>2</sup> to 40 120 m <sup>2</sup>
Term of contract	4 to 83 years
Contract extension options	none to 50 years
Price adjustments	annually to every 10 years
Pre-emption rights	none, unilateral and bilateral

### Future land lease expenses

in CHF 1 000	31.12.2010	31.12.2009
Land lease expenses up to 1 year	3 411	3 042
Land lease expenses from 1 year up to 5 years	13 643	12 169
Land lease expenses after 5 years	191 573	188 293
<b>Total future land lease expenses</b>	<b>208 627</b>	<b>203 504</b>

### Land lease expenses in the period

in CHF 1 000	31.12.2010	31.12.2009
Land lease expenses	2 886	1 793
<b>Total land lease expenses in the period</b>	<b>2 886</b>	<b>1 793</b>

### Rights of use

Similar to land lease, rights of use of all current contracts are defined as operating leases according to IAS 17. Charges for rights of use are shown in the tables under «Future land lease expenses» and «Land lease expenses in the period». The following properties are encumbered with a contract for right of use (user):

Geneva, Place Cornavin 10  
 Zurich, Stadelhoferstrasse 22

### Key figures of the rights of use

Right of use areas	80 m <sup>2</sup> to 202 m <sup>2</sup>
Term of contract	5 to 33 years
Contract extension option	5 to 20 years
Price adjustments	every year
Pre-emption rights	none

**Swiss Prime Site as grantor of land leases**

Swiss Prime Site has granted land leases on the following properties:

Basel, Hochbergerstrasse 62/petrol station  
 Bellach, Gurzelenstrasse 2  
 Burgdorf, Emmentalstrasse 14  
 Dättwil, Mellingerstrasse 208, sold  
 Frick, Hauptstrasse 21, sold  
 Gerlafingen, Kriegstettenstrasse 14, sold  
 Gossau, Wilerstrasse 82  
 Granges-Paccot, Route d'Agy 3  
 Heimberg, Gurnigelstrasse 38  
 Holderbank, Hauptstrasse 43  
 Klus-Balsthal, Wengistrasse 1/Solothurnerstrasse  
 Mägenwil, Weststrasse 6/Birrfeldstrasse south  
 Meyrin, Route de Meyrin 210  
 Oftringen, Spitalweidstrasse 1/shopping centre a1  
 Wetzikon, Hinwilerstrasse 11

**Key figures of the land leases**

Land lease areas	202 m <sup>2</sup> to 4 013 m <sup>2</sup>
Term of contract	6 to 75 years
Contract extension options	none until 3 times 5 years
Price adjustments	annually to every 10 years
Pre-emption rights	none, unilateral and bilateral

**Future land lease income**

in CHF 1 000	31.12.2010	31.12.2009
Land lease income up to 1 year	1 663	1 978
Land lease income from 1 year up to 5 years	6 650	7 912
Land lease income after 5 years	22 026	28 576
<b>Total future land lease income</b>	<b>30 339</b>	<b>38 467</b>

Land lease income was recognised as rental income.

**Land lease income in the period**

in CHF 1 000	31.12.2010	31.12.2009
Land lease income recognised in rental income	1 874	337
<b>Total land lease income in the period</b>	<b>1 874</b>	<b>337</b>

## 22 OWNER-OCCUPIED PROPERTIES

in CHF 1 000	31.12.2010	31.12.2009
<b>Owner-occupied properties at beginning of period</b>	<b>438 728</b>	–
Additions from the acquisition of Jelmoli Group on 29.10.2009	–	435 237
Additions	3 269	1 548
Disposals	(4)	(31)
Transfer from investment properties	2 803	–
Transfer in investment properties	(155 046)	–
Transfer depreciation and impairments	(16 919)	(1 783)
Positive fair value adjustment due to revaluation	7 592	3 757
<b>Owner-occupied properties before cumulative depreciation and impairments at end of period</b>	<b>280 423</b>	<b>438 728</b>
<b>Cumulative depreciation and impairments at beginning of period</b>	–	–
Depreciation of the period	6 707	1 783
Impairments	10 212	–
Transfer depreciation and impairments	(16 919)	(1 783)
<b>Cumulative depreciation and impairments at end of period</b>	–	–
<b>Total owner-occupied properties after cumulative depreciation and impairments</b>	<b>280 423</b>	<b>438 728</b>

The properties at Froburgstrasse 1 in Olten, Seidengasse 1/Jelmoli – The House of Brands in Zurich, Sihlstrasse 24/St. Annagasse 16 in Zurich, Obere Bahnhofstrasse 14 in Affoltern a.A. and Route des Jeunes 10 in Grand-Lancy are used partially as owner-occupied properties. As a consequence of the sale of Jelmoli Bonus Card Ltd, the owner-occupied part of the property Ohmstrasse 11 in Zurich was reclassified as investment property.

The owner-occupied part of the property located at Sihlstrasse 24/St. Annagasse 16 in Zurich is no longer utilised as such due to restructuring and fully reclassified as investment property. Previously owner-occupied parts of the properties located at Seidengasse 1/Jelmoli – The House of Brands in Zurich, Obere Bahnhofstrasse 14 in Affoltern a.A. and Route des Jeunes 10 in Grand-Lancy were rented to third parties due to restructuring and therefore reclassified as investment properties as well.

Impairments of CHF 10.212 million [CHF 0.000 million] were required for the properties located at Route des Jeunes 10 in Grand-Lancy (CHF 10.042 million) as well as at Froburgstrasse 1 in Olten (CHF 0.170 million). The impairment for the property in Grand-Lancy was based on a reassessment of the rental income potential included in the valuation of fair value.

Owner-occupied properties are valued on the basis of a regular (semi-annual) fair value appraisal by an independent real estate expert (Wüest & Partner AG, Zurich) using the discounted cash flow method.

The real discount rates used were between 4.2 and 5.0% as at the balance sheet date. These valuations were supported by market prices of recently performed transactions. If the owner-occupied properties had been valued according to the historical cost model, the book value as at balance sheet date would have been CHF 273.857 million [CHF 434.971 million].

Transfer depreciation relates to cumulative depreciation as at the revaluation date, which was eliminated against the gross book value of the revalued owner-occupied properties.

## 23 TANGIBLE ASSETS

in CHF 1 000	Tenants' improve- ments	Furniture and equipment	31.12.2010 Total
<b>Tangible assets at beginning of period</b>	<b>13 345</b>	<b>16 269</b>	<b>29 614</b>
Additions	13 604	13 752	27 356
Disposals	(3)	(2 148)	(2 151)
Disposals from sale of Jelmoli Bonus Card Ltd	(83)	(1 775)	(1 858)
<b>Tangible assets before cumulative depreciation and impairments at end of period</b>	<b>26 863</b>	<b>26 098</b>	<b>52 961</b>
<b>Cumulative depreciation and impairments at beginning of period</b>	<b>464</b>	<b>336</b>	<b>800</b>
Depreciation during the period	3 058	4 981	8 039
Disposals	–	(723)	(723)
Disposals from sale of Jelmoli Bonus Card Ltd	(13)	(725)	(738)
<b>Cumulative depreciation and impairments at end of period</b>	<b>3 509</b>	<b>3 869</b>	<b>7 378</b>
<b>Total tangible assets after cumulative depreciation and impairments</b>	<b>23 354</b>	<b>22 229</b>	<b>45 583</b>

in CHF 1 000	Tenants' improve- ments	Furniture and equipment	31.12.2009 Total
<b>Tangible assets at beginning of period</b>	<b>–</b>	<b>–</b>	<b>–</b>
Additions from the acquisition of Jelmoli Group on 29.10.2009	13 189	14 657	27 846
Additions	156	1 983	2 139
Disposals	–	(371)	(371)
<b>Tangible assets before cumulative depreciation and impairments at end of period</b>	<b>13 345</b>	<b>16 269</b>	<b>29 614</b>
<b>Cumulative depreciation and impairments at beginning of period</b>	<b>–</b>	<b>–</b>	<b>–</b>
Depreciation during the period	464	639	1 103
Disposals	–	(303)	(303)
<b>Cumulative depreciation and impairments at end of period</b>	<b>464</b>	<b>336</b>	<b>800</b>
<b>Total tangible assets after cumulative depreciation and impairments</b>	<b>12 881</b>	<b>15 933</b>	<b>28 814</b>

## 24 INTANGIBLE ASSETS

in CHF 1 000	Goodwill	Software	Customer relations	Brands	31.12.2010 Total
<b>Intangible assets at beginning of period</b>	<b>36 130</b>	<b>4 958</b>	<b>5 650</b>	<b>22 797</b>	<b>69 535</b>
Additions	–	2 438	–	–	2 438
Disposals	–	(2 122)	–	–	(2 122)
Disposals from sale of Jelvoli Bonus Card Ltd	(120)	(2 776)	–	–	(2 896)
<b>Intangible assets before cumulative amortisation and impairments at end of period</b>	<b>36 010</b>	<b>2 498</b>	<b>5 650</b>	<b>22 797</b>	<b>66 955</b>
<b>Cumulative amortisation and impairments at beginning of period</b>	<b>–</b>	<b>1 015</b>	<b>47</b>	<b>–</b>	<b>1 062</b>
Amortisation during the period	–	1 583	565	–	2 148
Disposals	–	(1 840)	–	–	(1 840)
Disposals from sale of Jelvoli Bonus Card Ltd	–	(744)	–	–	(744)
<b>Cumulative amortisation and impairments at end of period</b>	<b>–</b>	<b>14</b>	<b>612</b>	<b>–</b>	<b>626</b>
<b>Total intangible assets after cumulative amortisation and impairments</b>	<b>36 010</b>	<b>2 484</b>	<b>5 038</b>	<b>22 797</b>	<b>66 329</b>

in CHF 1 000	Goodwill	Software	Customer relations	Brands	31.12.2009 Total
<b>Intangible assets at beginning of period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Additions from the acquisition of Jelvoli Group on 29.10.2009	36 130	4 481	5 650	22 797	69 058
Additions	–	477	–	–	477
<b>Intangible assets before cumulative amortisation and impairments at end of period</b>	<b>36 130</b>	<b>4 958</b>	<b>5 650</b>	<b>22 797</b>	<b>69 535</b>
<b>Cumulative amortisation and impairments at beginning of period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Amortisation during the period	–	423	47	–	470
Impairments	–	592	–	–	592
<b>Cumulative amortisation and impairments at end of period</b>	<b>–</b>	<b>1 015</b>	<b>47</b>	<b>–</b>	<b>1 062</b>
<b>Total intangible assets after cumulative amortisation and impairments</b>	<b>36 130</b>	<b>3 943</b>	<b>5 603</b>	<b>22 797</b>	<b>68 473</b>

**Impairment test for cash-generating units including goodwill and brand names**

To perform the impairment test, goodwill and brand names are attributed to the cash-generating units of Swiss Prime Site which correspond to the operating segments.

**Goodwill**

in CHF 1 000	31.12.2010	31.12.2009
Retail trade segment	36 010	36 130
<b>Total goodwill</b>	<b>36 010</b>	<b>36 130</b>

The sale of Jelvoli Bonus Card Ltd led to a reduction of goodwill. The retail trade segment is an operating segment. The amount to be realised by the cash-generating units is based on value in use.

The value in use was based on the following underlying key assumptions:

- Taking into consideration past experience, cash flows are based on a business plan for the forthcoming four years. A constant growth rate of 1.0% [1.0%] was used for cash flows of the detailed horizon of the subsequent periods.
- A pre-tax discount rate of 9.4% [10.9%] was applied.

In the opinion of the Management Board, no realistically expected, possible changes in the designated key assumptions can lead to a situation in which the book value of goodwill would exceed the relevant amount to be realised. The impairment test was carried out in the fourth quarter.

**Brand names**

in CHF 1 000	31.12.2010	31.12.2009
Retail trade segment	22 797	22 797
<b>Total brand names</b>	<b>22 797</b>	<b>22 797</b>

The useful life of the brand name acquired in connection with the acquisition of Jelvoli Group (Jelvoli including The House of Brands) is believed to be indefinite because there are absolutely no plans for re-branding.

The first-time valuation of the brand name was carried out within the scope of purchase price accounting as at end October 2009 by means of the so-called relief from royalty method. The underlying key assumptions for the impairment test conducted at the end of the reporting period included a pre-tax discount rate of 9.5% as well as net licensing fee of 1.3%. The values assigned to the key assumptions have been derived from industry-specific values from companies in the retail trade sector.

Based on the impairment test, there was no need for any impairment as at 31.12.2010. Due to the nature of the valuation method, sales growth contrary to expectations would directly lead to a value impairment.

**25 DEFERRED TAX ASSETS**

in CHF 1 000	31.12.2010	31.12.2009
Deferred tax assets	–	7 750
<b>Total deferred tax assets</b>	<b>–</b>	<b>7 750</b>

The tax effects of losses carried forward were recognised as deferred tax assets where it is probable that they can be offset with future profits. Most of the losses carried forward could be off-set as at end-2010. Note 11 «Income taxes» explains the calculation of deferred tax assets.

## 26 CURRENT LIABILITIES

in CHF 1 000	31.12.2010	31.12.2009
Accounts payable to third parties	5 473	21 987
Accounts payable to related parties	670	1 291
<b>Total accounts payable</b>	<b>6 143</b>	<b>23 278</b>
Current financial liabilities to third parties	738 367	647 714
Current financial liabilities to related parties	180 000	260 609
<b>Total current financial liabilities</b>	<b>918 367</b>	<b>908 323</b>
Other current liabilities to third parties	25 176	23 729
Other current liabilities to related parties	5 119	520
<b>Total other current liabilities</b>	<b>30 295</b>	<b>24 249</b>
Advance payments from third parties	83 141	38 196
Advance payments from related parties	75	498
<b>Total advance payments</b>	<b>83 216</b>	<b>38 694</b>
<b>Current income tax liabilities</b>	<b>30 152</b>	<b>17 462</b>
<b>Accrued expenses and deferred income</b>	<b>57 833</b>	<b>116 118</b>
<b>Total current liabilities</b>	<b>1 126 006</b>	<b>1 128 124</b>

Accounts payable were mainly liabilities from ancillary cost accounts, property expense invoices and commercial invoices.

Current financial liabilities to third and related parties (Credit Suisse Group) were generally mortgages. Furthermore, this position also included a bond from the former Jelmoli Group amounting to CHF 175.942 million [CHF 0.000 million], which will be due for payment in July 2011 and therefore was reclassified as current financial liability:

Volume	CHF 175.000 million (book value on 31.12.2010 CHF 175.942 million)
Interest rate	4.25% p.a., payable annually on 05.07.
Time to maturity	7 years (05.07.2004–05.07.2011)
Listing	SIX Swiss Exchange
Securities number	1 879 265 (JEL04)

Last year, this position included a 2% convertible bond with an outstanding amount of CHF 123.400 million and a book value of CHF 123.152 million, which was paid back on 03.02.2010.

Accrued expenses and deferred income mainly included CHF 40.124 million [CHF 39.550 million] of accruals from the real estate accounts (primarily renovation and project costs), CHF 5.133 million [CHF 35.349 million] for administrative and advertising expenses as well as auditing and valuation fees. Interest liabilities towards lenders amounted to CHF 2.833 million [CHF 16.164 million]. In addition, CHF 3.000 million [CHF 18.700 million] was accrued for outstanding bills relating to the acquisition of Jelmoli Group and restructuring.

There were no other unusual debt covenants in relation to current financial liabilities.

## 27 NON-CURRENT FINANCIAL LIABILITIES

Non-current financial liabilities consisted of loans secured by real estate of CHF 2 759.124 million [CHF 3 119.779 million], one bond [two bonds] of CHF 203.868 million [CHF 383.050 million] from the acquired Jelmoli Group, and a convertible bond of CHF 293.359 million [CHF 0.000 million]. The convertible bond with an interest rate of 1.875% and a nominal value of CHF 300.000 million was issued on 20.01.2010.

Non-current financial liabilities of CHF 3 256.351 million [CHF 3 502.829 million] were recognised at amortised cost, which generally corresponded to the nominal value. There were no extraordinary debt covenants for loans secured by real estate or for bonds; for the previous year, see Note 26 «Current liabilities». The contractual limits were complied with by the Company and are continually monitored.

To secure the financial liabilities, various credit line agreements were entered into under market conditions (at arm's length), both with third-party banks and with related banks. Within the limits of general credit agreements, maximum credit available is determined and adjusted by the banks on the basis of the valuation of the land mortgage rights transferred to them as security.

Increasing lines of credit or individual credits, repayment of existing credits and refinancing are performed continuously on the basis of the liquidity plan. The Management Board (Chief Financial Officer) is responsible for the timely implementation and is supervised by the Board of Directors.

As at the balance sheet date, the leverage ratio of the entire property portfolio was 52.1% [54.6%].

### Convertible bond

On 20.01.2010, Swiss Prime Site AG issued a new convertible bond (1.875%) with the following key data:

Volume	CHF 300.000 million (book value as at 31.12.2010 CHF 293.359 million)
Interest rate	1.875% p.a., payable annually on 20.01., initially on 20.01.2011
Time to maturity	5 years (20.01.2010–20.01.2015)
Conversion price	CHF 71.89
Listing	SIX Swiss Exchange
Securities number	10 877 415 (SPS10)

Each individual bond with a nominal value of CHF 5 000 can be converted into registered shares of the Company at any time. The newly issued shares are secured by conditional capital.

The equity component resulting from the convertible bond was recognised directly in shareholders' equity. The other embedded options of the convertible bond (premature repayment option of Swiss Prime Site under certain conditions (clean-up call and share price appreciation call) as well as the put option granted under certain conditions (delisting of shares put) are contained within the borrowed capital component and are not recognised separately.

### Bond

The bond from the former Jelmoli Group has the following key data:

Volume	CHF 200.000 million (book value as at 31.12.2010 CHF 203.868 million)
Interest rate	4.625% p.a., payable annually on 11.07.
Time to maturity	8 years (11.07.2005–11.07.2013)
Listing	SIX Swiss Exchange
Securities number	2 190 735 (JEL05)

The bond will be repaid at its nominal value.

For more information regarding non-current financial liabilities, see Note 36 «Financial instruments and financial risk management».

## 28 DEFERRED TAX LIABILITIES

in CHF 1 000	31.12.2010	31.12.2009
<b>Deferred tax liabilities at beginning of period</b>	<b>632 969</b>	<b>161 844</b>
Increase resulting from acquisition of Jelvoli Group	–	480 594
Deconsolidation of Jelvoli Bonus Card Ltd	229	–
Increase through depreciation/revaluation, net	35 377	25 435
Decrease through property sales	(19 756)	(4 118)
Provisions and other liabilities	1 425	6 058
Tax rate changes	(161)	(5 798)
Decrease through changed estimates of holding period of investment properties	–	(31 046)
<b>Total deferred tax liabilities at end of period</b>	<b>650 083</b>	<b>632 969</b>

Deferred tax liabilities result from revaluation and statutory depreciation of investment and owner-occupied properties. Conversely, deferred tax liabilities decrease upon disposals of the properties.

The calculation of deferred taxes on real estate assets is based on the assumption of a holding period of minimum 20 years. Given a holding period of 15 years, the relevant deferred tax liabilities on future property gains would be roughly 10% higher; given a reduction of the estimated holding period to 10 years, deferred tax liabilities would be around 18% higher.

Information about the status and changes in revaluation can be found in Notes 9 «Revaluation of investment properties, properties under construction and development sites» and 21 «Investment properties». Note 11 «Income taxes» explains the calculation of the deferred taxes.

## 29 SHAREHOLDERS' EQUITY

	Number of registered shares issued	Nominal value in CHF	in CHF 1 000
<b>Share capital</b>			
<b>Nominal share capital at 01.01.2009</b>	<b>25 653 598</b>	<b>22.20</b>	<b>569 510</b>
Nominal value reduction on 09.07.2009	–	(3.40)	(87 222)
Capital increase on 10.07.2009	4 480 000	18.80	84 224
Capital increase on 29.10.2009	24 235 116	18.80	455 620
<b>Total nominal share capital at 31.12.2009</b>	<b>54 368 714</b>	<b>18.80</b>	<b>1 022 132</b>
Nominal value reduction on 12.07.2010	–	(3.50)	(190 291)
<b>Total nominal share capital at 31.12.2010</b>	<b>54 368 714</b>	<b>15.30</b>	<b>831 841</b>

A share register is kept for the registered shares. Only the person registered in the share register is recognised as shareholder or usufructuary. Each share is entitled to one vote at the General Meeting. The Board of Directors is entitled to decline foreign buyers of registered shares as shareholders with voting rights, insofar and as long as their acknowledgement might prevent the Company from producing evidence of the composition of the circle of shareholders required by law. Otherwise, there are no restrictions on registration or voting rights. Anyone who acquires or holds, either directly or indirectly or in joint agreement with third parties, more than 33 ⅓% of the voting shares must submit an offer to acquire all listed shares of the Company.

The 44 037 [245 982] treasury shares held at 31.12.2010 are not entitled to dividends. At the balance sheet date, the dividend-entitled share capital of CHF 831.168 million [CHF 1 071.507 million] thus comprises 54 324 677 [54 122 732] shares.

	Number of registered shares issued	Nominal value in CHF	in CHF 1 000
<b>Authorised capital</b>			
<b>Authorised capital at 01.01.2009</b>	<b>8 000 000</b>	<b>22.20</b>	<b>177 600</b>
Nominal value reduction on 09.07.2009	–	(3.40)	(27 200)
Capital increase on 10.07.2009	(4 480 000)	18.80	(84 224)
Approval of increase by the General Meeting on 22.10.2009	4 480 000	18.80	84 224
<b>Authorised capital at 31.12.2009</b>	<b>8 000 000</b>	<b>18.80</b>	<b>150 400</b>
Nominal value reduction on 12.07.2010	–	(3.50)	(28 000)
<b>Total authorised capital 31.12.2010</b>	<b>8 000 000</b>	<b>15.30</b>	<b>122 400</b>

The Board of Directors is authorised to increase the share capital to the extent mentioned above at any time until 22.10.2011. The precise wording can be found in the Company's articles of association.

	Number of registered shares issued	Nominal value in CHF	in CHF 1 000
<b>Conditional capital</b>			
<b>Conditional capital at 01.01.2009</b>	<b>4 530 000</b>	<b>22.20</b>	<b>100 566</b>
Nominal value reduction on 09.07.2009	–	(3.40)	(15 402)
Approval of increase by the General Meeting on 22.10.2009	3 470 000	18.80	65 236
<b>Conditional capital at 31.12.2009</b>	<b>8 000 000</b>	<b>18.80</b>	<b>150 400</b>
Nominal value reduction on 12.07.2010	–	(3.50)	(28 000)
<b>Total conditional capital at 31.12.2010</b>	<b>8 000 000</b>	<b>15.30</b>	<b>122 400</b>

Conditional capital is divided into an amount of up to CHF 99.297 million [CHF 122.012 million] (6 490 000 [6 490 000] shares) for exercising options and/or conversion rights granted in connection with bonds or similar obligations and an amount of up to CHF 23.103 million [CHF 28.388 million] (1 510 000 [1 510 000] shares) for option rights granted to the shareholders. The precise wording can be found in the Company's articles of association.

<b>Capital reserves</b>	in CHF 1 000
<b>Capital reserves at 01.01.2009</b>	<b>137 414</b>
Acquisition of participation in Jelmoli Holding Ltd from Pelham Investments Ltd	265 440
Nominal value reduction on 09.07.2009	5 809
Payment of purchase price to Pelham Investments Ltd on 10.07.2009	(84 224)
Capital increase for exchange of shares on account of the exchange offer on 29.10.2009	903 394
Capital increase costs	(781)
Share-based payments, 4 552 shares	266
Purchase of treasury shares, 108 shares	(6)
Sale of treasury shares, 1 226 945 shares	69 613
<b>Capital reserves at 31.12.2009</b>	<b>1 296 925</b>
Issue of 1.875% convertible bond on 20.01.2010, equity component	1 662
Exchange of employee options on 25.03.2010	5 408
Increase resulting from squeeze-out on 12.05.2010	32 154
Nominal value reduction on 12.07.2010	160
Share-based payments, 7 803 shares	517
Purchase of treasury shares, 721 664 shares	(45 111)
Sale of treasury shares, 5 137 shares	332
<b>Total capital reserves at 31.12.2010</b>	<b>1 292 047</b>

Capital reserves are based on above par issues on foundation, capital increases as well as changes from trading with subscription rights, treasury shares and share-based compensation.

The squeeze-out (i.e. exchange of the remaining Jelmoli shares for Swiss Prime Site shares) and the exchange of employee options took place in exchange for treasury shares.

<b>Revaluation reserves</b>	in CHF 1 000
<b>Revaluation reserves at 01.01.2009</b>	–
Revaluation of owner-occupied properties	3 757
Deferred taxes on valuation	(601)
Non-controlling interests	(51)
<b>Revaluation reserves at 31.12.2009</b>	<b>3 105</b>
Revaluation of owner-occupied properties	7 592
Deferred taxes on valuation	(1 746)
Derecognition of non-controlling interests	51
<b>Total revaluation reserves at 31.12.2010</b>	<b>9 002</b>

Revaluation reserves are not available to the Company shareholders.

<b>Retained earnings</b>	in CHF 1 000
<b>Retained earnings at 01.01.2009</b>	<b>711 839</b>
Profit distributions	–
Profit	187 408
<b>Retained earnings at 31.12.2009</b>	<b>899 247</b>
Profit distributions	–
Profit	235 041
<b>Total retained earnings at 31.12.2010</b>	<b>1 134 288</b>

Retained earnings are derived from earnings retained since the foundation of the Company.

<b>Non-controlling interests</b>	in CHF 1 000
<b>Non-controlling interests at 01.01.2009</b>	–
Non-controlling interests from acquisition of Jelmoli Group	33 355
Comprehensive income attributable to non-controlling interests	482
<b>Non-controlling interests at 31.12.2009</b>	<b>33 837</b>
Comprehensive income attributable to non-controlling interests	755
Derecognition of non-controlling interests from squeeze-out	(32 205)
Derecognition of non-controlling interests from sale of Jelmoli Bonus Card Ltd	(2 387)
<b>Total non-controlling interests at 31.12.2010</b>	–
<b>Total shareholders' equity</b>	<b>3 267 178</b>

The Annual General Meeting on 21.04.2010 passed the following resolutions:

A nominal value reduction of CHF 3.50 from CHF 18.80 to CHF 15.30 per share was approved. The share capital on which the reduction is based consists of the 54 368 714 shares already issued prior to the Annual General Meeting.

The capital reduction was carried out on 12.07.2010. The reduction amounted to CHF 190.291 million.

### 30 FUTURE OBLIGATIONS AND CONTINGENT LIABILITIES

in CHF 1 000	31.12.2010	31.12.2009
2010	–	283 585
2011	68 948	10 625
2012	–	–
<b>Total future obligations</b>	<b>68 948</b>	<b>294 210</b>

On 11.12.2006, a general contractor agreement was signed with HRS Real Estate Ltd followed by an addendum on 15.05.2009 totalling CHF 75.385 million. Both contracts dealt with the construction of the commercial property Stücki Business Park with five buildings on Hochbergerstrasse in Basel. Until completion, payments of CHF 10.357 million [CHF 22.355 million] are still outstanding.

On 09.07.2007, a general contractor agreement was signed with HRS Real Estate Ltd followed by a supplementary contract on 24.07.2007 of CHF 279.930 million. Both contracts dealt with the construction of the Stücki shopping centre with hotel on Hochbergerstrasse in Basel. Operation was handed over in autumn 2009. The remaining payments were made in 2010 [CHF 52.606 million].

On 19.12.2007, a general contractor agreement was signed with ARGE Losinger/Steiner dealing with the construction of Prime Tower including annex buildings Cubus and Diagonal on the Maag site in Zurich West totalling CHF 248.200 million. Until completion at the end of June 2011, payments of CHF 34.200 million [CHF 138.200 million] will be due from the general contractor agreement.

On 08.02.2008, a general contractor agreement totalling CHF 80.350 million was signed with HRS Real Estate Ltd for the construction of the Platform building on the Maag site in Zurich West. Until completion in May 2011, payments of CHF 20.891 million [CHF 57.049 million] will be due from the general contractor agreement.

From summer 2009 until autumn 2010, Jelmoli – The House of Brands department store on Seidengasse 1 in Zurich was extensively renovated and improved, with an investment volume of CHF 42.400 million. The orders were assigned individually to contractors. Residual payments amounting to CHF 3.500 million are due in 2011 [CHF 24.000 million].

The group company Tivona 009 AG holds 31.0% of Ensemble artisanal et commercial de Riantbosson S.A. (EACR) with share capital of CHF 1.000 million. In the shareholders' agreement dated 15.02.1999, a reserve liability is stipulated, which the General Meeting can decide with a simple majority. The contracting partners are obligated to make additional payments to cover any possible excessive debt. The equity of EACR amounts to CHF 0.971 million as at 31.12.2010 (status completion 2009).

#### Operating lease agreements

In addition to the obligations for operating lease agreements, mentioned in Note 21 «Investment properties», there were also the following future vehicle lease obligations within Jelmoli Group:

in CHF 1 000	31.12.2010	31.12.2009
Lease expenses up to 1 year	107	470
Lease expenses from 1 year up to 5 years	118	1 024
Lease expenses after 5 years	–	–
<b>Total future lease expenses</b>	<b>225</b>	<b>1 494</b>

In the reporting period, CHF 0.256 million [CHF 0.066 million] lease expenses for vehicles and the rental of office equipment were recognised in «Other operating expenses».

#### Contingent liabilities

There were no other contingent liabilities at the balance sheet date, and also no securities and no guarantees.

### 31 DETAILS OF PLEDGED ASSETS

in CHF 1 000	31.12.2010	31.12.2009
Fair value of affected investment properties	7 065 030	6 087 675
Fair value of affected owner-occupied properties	241 785	–
Nominal value of pledged mortgage notes	4 415 014	4 880 511
Fair value of fixed-term deposits	–	15 500
Current claim (nominal)	3 501 548	3 890 912

In addition, 1 214 981 of the shares of Jelvoli Holding Ltd held by Swiss Prime Site AG as at 31.12.2009 were mortgaged to finance the cash payment to Pelham Investments Ltd. These shares were released as at 22.01.2010.

### 32 TRANSACTIONS WITH RELATED PARTIES

Related parties consist of the Board of Directors, the Management Board, the subsidiaries, Credit Suisse Group Ltd and all its subsidiaries and managed real estate products, the pension fund foundations of the Group, investments in associates and their subsidiaries.

#### Board of Directors and Management Board

Disclosure in accordance with IAS 24 of the following remuneration for members of the Board of Directors and the Management Board is based on the accrual principle (i.e. recognised in the relevant period, regardless of cash flow).

Members of the Board of Directors receive 50% of their fee at the end of the year in the form of Swiss Prime Site AG shares. The corresponding expense was reported as share-based remuneration. The relevant number of shares was determined using the closing price as at the end of the previous year of CHF 58.00 [CHF 50.80], adjusted by 10% to CHF 52.20 [CHF 45.72]. The share-based remuneration was charged with the resulting calculated amount of shares with a price of CHF 68.80 [CHF 58.50] as at balance sheet date.

Note 9 «Compensation, investments and loans to members of the Board of Directors and the Management Board» of the individual financial statements of Swiss Prime Site AG shows a list with the names and the individual fees paid to the members of the Board of Directors and the Management Board.

The basic fee is stated gross in the following tables, i.e. before deduction of the ordinary social contributions. Expense allowances paid to the members of the Board of Directors and the Management Board in the form of lump-sum expenses are reported under «Other remuneration». Other remuneration in the previous year included fees of CHF 0.080 million paid to members of the Board of Directors of Swiss Prime Site by Jelvoli Group for the period from 29.10.2009 to 31.12.2009.

The term «Board of Directors» as used in the following tables refers exclusively to non-executive directors since Swiss Prime Site did not have executive members of the board of directors during the reporting period, nor in the previous period.

**Remuneration to members of the Board of Directors**

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Basic fee to members of the Board of Directors including fee for committee members	588	316
Additional fee	–	380
Share-based payments	537	266
Other remuneration	48	39
<b>Total remuneration to members of the Board of Directors, gross</b>	<b>1 173</b>	<b>1 001</b>

The share-based basic fee was calculated at 7 803 [4 552] shares at a price of CHF 68.80 [CHF 58.50]. No termination pay was paid to former members of company bodies in the current or in the previous period.

**Additional fees and remuneration**

Due to the additional workload for the preparation of the public exchange offer to the shareholders of Jelmoli Holding Ltd and all negotiations, a total of CHF 0.380 million of additional fees was paid in the previous year.

**Remuneration to members of the Management Board**

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Basic fee to members of the Management Board including fee for committee members	–	30
Other remuneration	8	8
<b>Total remuneration to members of the Management Board, gross</b>	<b>8</b>	<b>38</b>

The reported remuneration included expenses of CHF 0.008 million [CHF 0.008 million] as well as, in the previous year, fees for functions as members of the Investment Committee and secretary to the Board of Directors [CHF 0.030 million].

**Options**

There are no outstanding or allocated options.

**Additional fees and remuneration**

No additional fees were paid.

**Loans to members of governing bodies**

There are currently no outstanding loans to governing bodies.

**Other related parties****Balance sheet items with Credit Suisse Group**

in CHF 1 000	31.12.2010	31.12.2009
Cash	7 389	31 925
Accounts receivable	4 609	164
Current accounts	8 194	5 016
<b>Total assets with Credit Suisse Group</b>	<b>20 192</b>	<b>37 105</b>
Accounts payable	670	1 291
Current financial liabilities	180 000	260 652
Other current liabilities	5 119	520
Advance payments	75	498
Accrued expenses and deferred income	3 033	17 038
Non-current financial liabilities	620 175	613 543
Other non-current financial liabilities	3 232	1 038
<b>Total liabilities with Credit Suisse Group</b>	<b>812 304</b>	<b>894 580</b>

**Income statement items with Credit Suisse Group**

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Rental income	18 270	20 108
Other operating income	3	–
Bank interests	57	29
Interest income swaps	358	–
<b>Total income from Credit Suisse Group</b>	<b>18 688</b>	<b>20 137</b>
Expenses for services rendered	9 077	4 147
Charged salary costs for administration, rental of furnishings and contributions to client events	132	142
Management fee	20 490	12 215
Consultancy related to the sale and exchange offer to Jelvoli shareholders	–	26 042
Other administrative expenses	243	–
Mortgage and loan interest payments	21 445	25 006
Bank interests	238	92
Interest expense swaps	3 892	–
Sales and purchase commissions	6 354	1 625
Construction commissions	3 611	3 703
Building trustee commissions	–	430
<b>Total expenses to Credit Suisse Group</b>	<b>65 482</b>	<b>73 402</b>

Management fee amounted to 0.22–0.33% annually of total assets (total of all valued, consolidated assets, at the beginning of each quarter).

Generally, agency commissions of 1.50–5.00% of the purchase or sales price (without purchasing costs) are paid on every property bought, acquired or sold by Swiss Prime Site.

Wincasa AG is responsible for the management of most properties. The properties from Jelvoli Group were managed by own employees until the end of the first quarter of 2010, and after this period management of these properties was entrusted to Wincasa AG. Most of the employees of Jelvoli Group who are responsible for administration of properties were then employed by Wincasa AG.

There were existing current accounts receivable against the pension fund and welfare trust of former Jelvoli Group of CHF 0.167 million [CHF 2.020 million].

**Other transactions with related parties**

in CHF 1 000	01.01.–31.12.2010	01.01.–31.12.2009
Investments in investment properties	–	–
Divestments of investment properties	189 122	101 568
<b>Total other transactions with related parties</b>	<b>189 122</b>	<b>101 568</b>

During the reporting and previous period, there were no investments from related parties. Divestments of investment properties included the following 13 sales [1 sale] amounting to CHF 189.122 million [CHF 101.568 million] to Credit Suisse Investment Foundation, Zurich – Real Estate Switzerland and Real Estate Switzerland Commercial: Mellingerstrasse 208 in Dättwil, Hauptstrasse 21 in Frick, Kriegstettenstrasse 14 including gas station in Gerlafingen, Geissensteinring 45/Tribschenstrasse 60 in Lucerne, Tribschenstrasse 54 in Lucerne, Tribschenstrasse 56, 60 in Lucerne, Zeughausgasse 22 in St. Gallen, Bernstrasse 160–164 in Zollikofen, Dörflistrasse 120 in Zurich, Freischütz-gasse 14 in Zurich, Parking Nordhaus in Zurich and Reitergasse 9, 11 in Zurich [Pizol-Center, Mels].

**33 MAJOR SUBSIDIARIES**

		31.12.2010	31.12.2009
Subsidiaries	Purpose	Share capital in CHF 1 000	Share capital in CHF 1 000
<b>Fully consolidated investments in subsidiaries with a shareholding interest (directly or indirectly) of 100%</b>			
GLPH SA, Lancy, CH	Hotel	100	100
Jelmoli Ltd, Zurich, CH	Retail company	6 600	6 600
Jelmoli EKZ AG, Olten, CH*	Real estate company	487	487
Jelmoli Immobilien Ltd, Olten, CH	Real estate company	50 000	50 000
Jelmoli International B.V., Amsterdam, NL**	Investment company	90	90
SPS Beteiligungen Alpha AG, Olten, CH	Investment company	650 000	650 000
SPS Beteiligungen Beta AG, Olten, CH	Investment company	450 000	450 000
SPS Beteiligungen Gamma AG, Olten, CH	Investment company	300 000	300 000
SPS Immobilien AG, Olten, CH	Real estate company	225 000	225 000
Tivona 009 AG, Olten, CH	Real estate company	100	100
<b>The following companies were merged with retroactive effect as at 01.01.2010 with Jelmoli EKZ AG*</b>			
Immobilien AAA Projekte AG, Zurich, CH	Real estate company	–	100
Jelmoli Liegenschaften Eins AG, Zurich, CH	Real estate company	–	250
Société Immobilière Grand Trèfle U SA, Basel, CH	Real estate company	–	50
Tivona Pi AG, Egg, CH	Real estate company	–	100
Tivona Sigma AG, Egg, CH	Real estate company	–	1 100
Tivona Terra AG, Egg, CH	Real estate company	–	2 850
Tivona Xi AG, Egg, CH	Real estate company	–	100
Tivona 033 AG, Egg, CH	Real estate company	–	3 600
<b>The following companies were merged with retroactive effect as at 01.01.2010 with Jelmoli Immobilien Ltd</b>			
Au Grand Passage-Innovation SA, Geneva, CH	Real estate company	–	10 000
Bastra SA, Carouge, CH	Real estate company	–	1 000
Jelmoli Real Estate Services AG, Zurich, CH	Service company	–	400
Jelmoli Liegenschaften Zwei AG, St. Gallen, CH	Real estate company	–	100
Jelmoli Services AG, Zurich, CH	Service company	–	1 300

\* former Jelmoli EKZ St. Gallen AG

\*\* in liquidation since January 2011

Subsidiaries	Purpose	31.12.2010	31.12.2009
		Share capital in CHF 1 000	Share capital in CHF 1 000
Regina Kaufhaus AG, Zurich, CH	Real estate company	–	1 500
Retail Immobilien AG, St. Gallen, CH	Real estate company	–	22 400
<b>The following company was merged with retroactive effect as at 01.01.2010 with SPS Beteiligungen Alpha AG</b>			
Jelmoli Holding Ltd, Zurich, CH	Investment company	–	42 879
<b>The following companies were merged with retroactive effect as at 01.01.2010 with SPS Immobilien AG</b>			
Société Immobilière Rue Céard No. 14, Olten, CH	Real estate company	–	50
SPS Immobilien Residenz AG, Olten, CH	Real estate company	–	36 000
<b>The following companies were merged with retroactive effect as at 01.01.2010 with Tivona 009 AG</b>			
Crispart SA, Basel, CH	Investment company	–	100
ECIF SA, Lausanne, CH	Real estate company	–	50
Jelmoli Eta AG, Basel, CH	Real estate company	–	100
Jelmoli Jota AG, Basel, CH	Real estate company	–	100
Jelmoli Omikron AG, Basel, CH	Real estate company	–	100
Jelmoli Phi AG, Olten, CH	Real estate company	–	100
Jelmoli Real Estate Development AG, Basel, CH	Service company	–	100
Jelmoli 038 AG, Basel, CH	Real estate company	–	100
Niesenpark AG, Heimberg, CH	Real estate company	–	1 200
Tivona Alpha AG, Basel, CH	Real estate company	–	100
Tivona Beta AG, Olten, CH	Real estate company	–	100
Tivona Chi AG, Basel, CH	Real estate company	–	100
Tivona Delta AG, Basel, CH	Real estate company	–	100
Tivona Epsilon AG, Basel, CH	Real estate company	–	100
Tivona Gamma AG, Basel, CH	Real estate company	–	100
Tivona Kappa AG, Basel, CH	Real estate company	–	100
Tivona Lambda AG, Basel, CH	Real estate company	–	100
Tivona Mü AG, Basel, CH	Real estate company	–	100
Tivona Nü AG, Basel, CH	Real estate company	–	100
Tivona Omega AG, Basel, CH	Real estate company	–	100
Tivona Parta AG, Basel, CH	Real estate company	–	100
Tivona Parta II AG, Basel, CH	Real estate company	–	100
Tivona Parta III AG, Basel, CH	Real estate company	–	100
Tivona Psi AG, Basel, CH	Investment company	–	100
Tivona Rho AG, Basel, CH	Real estate company	–	100
Tivona Tau AG, Basel, CH	Real estate company	–	100
Tivona Theta AG, Olten, CH	Real estate company	–	100
Tivona Ypsilon AG, Basel, CH	Real estate company	–	100
Tivona Zeta AG, Basel, CH	Real estate company	–	100
Tivona 031 AG, Basel, CH	Real estate company	–	100
Tivona 032 AG, Olten, CH	Real estate company	–	100
Tivona 034 AG, Basel, CH	Real estate company	–	100
Tivona 035 AG, Basel, CH	Real estate company	–	100
Tivona 036 AG, Basel, CH	Real estate company	–	100
Tivona 039 AG, Basel, CH	Real estate company	–	100
Tivona 040 AG, Basel, CH	Real estate company	–	100
Tivona 041 AG, Basel, CH	Real estate company	–	100
Tivona 042 AG, Basel, CH	Real estate company	–	100

		31.12.2010	31.12.2009
Subsidiaries	Purpose	Share capital in CHF 1 000	Share capital in CHF 1 000
<b>Deconsolidated investment in a subsidiary 72.5% due to sale on 28.05.2010</b>			
Jelmoli Bonus Card Ltd, Zurich, CH	Service company	–	7 500
<b>Investments in associates, valued according to the equity method</b>			
Ensemble artisanal et commercial de Riantbosson S.A., Frauenfeld, CH, investment of 31.0%	Real estate company	1 000	1 000
Parkgest Holding SA, Geneva, CH, investment of 38.8%	Parking	4 750	4 750
Parking Riponne S.A., Lausanne, CH, investment of 27.1%	Parking	5 160	5 160

### 34 MAJOR SHAREHOLDERS

Major shareholders (shareholding interest >3.0%)*	31.12.2010	31.12.2009
	Shareholding interest in %	Shareholding interest in %
Credit Suisse Asset Management Funds AG, Zurich	5.0	n/a
Wecken Klaus R., Bettingen	4.7	5.4
Fust Walter, Freienbach	4.7	4.1
Credit Suisse Investment Foundation, Zurich	n/a	3.0
Franklin Resources, Inc., Fort Lauderdale, Florida	n/a	4.5
Pelham Investments Ltd, Baar	n/a	8.2

\* according to entry in the share register or the notifications received by the Company

### 35 RISK MANAGEMENT

#### Principles

Swiss Prime Site attaches considerable importance to the identification, measurement and control of risks. By applying comprehensive and systematic measures for the identification and valuation of risks, risk management aims to ensure that undesirable risks are minimised well in advance, and that there is always an adequate balance between return and risk.

The effect of the risks on the Company's cash flow and value is reviewed regularly and, if necessary, appropriate countermeasures are taken.

The principles of risk distribution/optimisation are set out in separate investment and financing regulations.

The Management Board and the Board of Directors are informed regularly, at least quarterly, about the risk situation.

**Risk types**

Swiss Prime Site's business (real estate and retail trade segment) is subject to specific risks that can be divided into the following categories (list is not exhaustive):

- specific real estate risks
- risks related to construction activities
- market risk and diversification
- refinancing and liquidity risks
- credit risks
- valuation risks
- retail trade risk
- changes to laws and regulations
- tax risks
- restricted purchase/sale opportunities for real estate
- environmental risks and risks in connection with contaminated sites
- company-specific operational risks
- risks connected with outsourcing

General economic development and structural changes determine the trend in general and specific supply and demand in the market for office and commercial properties, which, in turn, affects the level of rents and the vacancies risk. The financial markets have an effect through financing costs, fundraising opportunities and investors' yield expectations. Swiss Prime Site considers all operational risks and the risk of losing skilled specialists and managers as company-specific risks.

These risks are addressed by means of appropriate selection and diversification of properties and tenants, adjustment of the expiry profile of rental agreements, constructional measures, finance assurances, the degree of indebtedness, as well as regular monitoring of processes and procedures.

**Specific real estate risks**

Normal real estate risks are covered by appropriate insurance policies.

When buying properties, Swiss Prime Site examines the environmental risks and the risks related to contaminated sites. If there are any identifiable environmental problems, either the expected costs are included in the calculation of the purchase price or an indemnity is agreed with the vendor or the operator of the facility, or else Swiss Prime Site refrains from concluding the purchase of the property.

**Risks associated with construction activities (new buildings, modifications and renovations)**

Various risks exist relative to construction activities, for example:

- delays in the issue of building permits following objections, which may lead to additional cost or termination of the project
- higher-than-expected construction costs, possibly connected with construction defects
- failure of the company engaged to carry out the construction work, usually the general contractor, to provide the specific services, or insolvency of that company
- inability to find a suitable user or buyer after completion of the building

In order to minimise risks associated with construction activities, various measures are contractually agreed with the general contractor, such as:

- contract penalties for construction delays
- performance guarantees in the form of joint guarantees from first-rate banks or insurance companies

These risks are specially monitored during the individual construction phases, among others, with the involvement of building owner trustees who exercise strict control over the project.

**Market risk and diversification**

In order to diversify risks, Swiss Prime Site invests in both office and retail properties in top locations, attaching particular importance to a diversified tenant structure and good tenant creditworthiness.

The focus is on a broad spread of use types, as well as a deliberate diversification of tenant mix, combined with a high degree of flexibility in possible floor plan uses. The high-quality standard of a property is maintained, or increased, through targeted modernisation and improvement investments. Active management ensures an excellent administrative service that checks and monitors tenant creditworthiness and ensures a balanced profile of tenancy renewal dates.

The following guidelines apply to the diversification of investment risks:

- the net target rent of one tenant group should amount to a maximum of 25% of the total target rental income
- the fair value of an individual property should amount to a maximum of 20% of the total portfolio value
- the share of new construction projects should amount to a maximum of 25% of the total portfolio value
- the proportion of residential properties (excluding residential space required by law) should amount to a maximum of 20% of the total investment volume
- the proportion of vacant land should amount to a maximum of 5% of the total fair value of the properties

**Valuation risks**

The property portfolio is valued every six months by an external, independent company of valuation experts applying the fair value principle. The valuation is based on international standards using the discounted cash flow method.

**Retail trade risks**

In the retail trade, Jelmoli – The House of Brands confronts these risks with a foresighted, structured market research strategy, together with periodic examination and adjustment of the strategy. A competent presence on the market with an attractive range and additional services significant to the additional value, together with an optimal location, are the prerequisites for succeeding in this very dynamic environment. Jelmoli – The House of Brands has a first-class location. The optimal mix of range and services is constantly examined and adapted to the market trends and associated demand behaviour of the consumers so that the attractiveness of this location is maintained at all times.

**Regulatory and fiscal risks**

Possible future changes to legislation, other regulations or official practice, in particular in the area of tax, tenancy or environmental protection law, could impact on property prices, costs and income and hence on Swiss Prime Site's business performance.

Such developments are followed closely, and appropriate measures are taken.

**Risks associated with outsourcing**

Swiss Prime Site has entrusted its portfolio management to Credit Suisse AG, Real Estate Asset Management. By not employing its own staff (except in the areas of retail trade, the liquidated SPS Finance Limited in Jersey and in the real estate segment of the former Jelmoli Group until 01.04.2010) and completely outsourcing the property portfolio management and management of the Company entails certain risks, such as dependence and loss of know-how in the event of the termination of contracts, etc.

**Risk monitoring**

The various risks are monitored and checked by the following Swiss Prime Site bodies and departments:

- Board of Directors
- Audit Committee
- Internal Risk Management

## 36 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

in CHF 1 000	31.12.2010	31.12.2009
Cash (without cash in hand)	8 009	88 257
Accounts receivable	97 486	166 960
Current accounts	8 235	7 126
Other receivables	249	4 694
Non-current financial investments*	2 029	3 147
<b>Total receivables and non-current financial investments</b>	<b>116 008</b>	<b>270 184</b>
Securities	1 285	1 329
Derivatives with positive fair value	–	142
<b>Total financial assets held for trading purposes</b>	<b>1 285</b>	<b>1 471</b>
Accounts payable	6 143	23 278
Current financial liabilities	918 367	908 323
Other current liabilities	30 295	24 249
Non-current financial liabilities	3 256 351	3 502 829
<b>Total financial liabilities valued at amortised cost</b>	<b>4 211 156</b>	<b>4 458 679</b>
Other non-current financial liabilities	17 411	9 228
<b>Total financial liabilities held for trading purposes</b>	<b>17 411</b>	<b>9 228</b>

\* without derivatives

#### Financial risk management

See also the comments in the Notes to the individual financial statements to the Swiss Prime Site AG (Note 10 «Risk management»).

#### Financing and liquidity risks

Financial risk and capital management is dealt with in accordance with the following principles of capital structure and interest commitment as laid down by the Board of Directors in the investment regulations:

- on average, a maximum of 65% borrowed capital may be used to finance the property portfolio
- the target is an equity ratio of 40%, although the Board of Directors can approve a shortfall
- in the long term, a return on equity (ROE) of 6 to 8% is targeted
- borrowings with a residual term to maturity of less than one year should account for a maximum of 50% of financial liabilities
- the objective is a balanced maturity profile of the financial liabilities

#### Selected key data

in %	31.12.2010	31.12.2009
External financing ratio of property portfolio	52.1	54.6
Non-current financial liabilities relative to property portfolio	40.6	43.3
Current financial liabilities relative to overall financial liabilities	21.9	17.2
Current assets to current liabilities	26.7	41.5
Equity ratio	39.3	37.8
Borrowed capital ratio	60.7	61.8
Return on equity (ROE), weighted	7.2	10.0
Return on invested capital (ROIC), weighted	4.3	4.3

To minimise refinancing risk on the part of lenders and to avoid cluster risks, diversification of lenders receives particular attention when borrowing capital.

The interest commitment is determined, amongst other things, by taking into account the maturity structure of the existing rental agreements, the intended purchases and sales of properties, and the possible changes to market rents, inflation and interest rates.

The liquidity risk is the risk that Swiss Prime Site cannot meet its financial obligations. Cash management is the responsibility of the asset manager, Credit Suisse AG, Real Estate Asset Management, Zurich, who is responsible for provision of the necessary liquidity.

Current income basically ensures sufficient cash to meet current obligations. A possible lack of liquidity is financed through current loans.

Sight deposits are invested in secure investments. Foreign currencies are immaterial. Cash and cash equivalents are kept as low as possible and are used primarily to pay back loans. The goal is to invest available cash in properties. To secure larger liabilities, non-secured but open credit limits are available. The Management Board (Chief Financial Officer) is responsible for the timely provision of the required cash. In doing so, they comply with, among others, the provisions of the investment regulations and use rolling liquidity planning as a tool. The Board of Directors monitors compliance with the provisions of the investment regulations.

The overview of future contractual cash flows (including interest) from all financial liabilities as at balance sheet date was as follows:

in CHF 1 000	31.12.2010 Book value	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Accounts payable	6 143	6 143	6 143	–	–	–	–
Current financial liabilities	918 367	919 195	561 381	357 814	–	–	–
Other current liabilities	30 295	30 295	30 295	–	–	–	–
Non-current financial liabilities	3 256 351	3 705 154	58 326	51 940	527 570	1 720 770	1 346 548
<b>Total non-derivative financial liabilities</b>	<b>4 211 156</b>	<b>4 660 787</b>	<b>656 145</b>	<b>409 754</b>	<b>527 570</b>	<b>1 720 770</b>	<b>1 346 548</b>
Other non-current financial liabilities	17 411	16 886	3 970	3 882	6 250	3 149	(365)
<b>Total derivative financial liabilities</b>	<b>17 411</b>	<b>16 886</b>	<b>3 970</b>	<b>3 882</b>	<b>6 250</b>	<b>3 149</b>	<b>(365)</b>
<b>Total financial liabilities</b>	<b>4 228 567</b>	<b>4 677 673</b>	<b>660 115</b>	<b>413 636</b>	<b>533 820</b>	<b>1 723 919</b>	<b>1 346 183</b>
– of which interest payments for finance liabilities to third parties		357 429	46 064	38 949	69 678	128 181	74 557
– of which interest payments for finance liabilities to Credit Suisse Group		96 096	10 418	10 087	19 115	41 985	14 491
<b>Total interest payments</b>		<b>453 525</b>	<b>56 482</b>	<b>49 036</b>	<b>88 793</b>	<b>170 166</b>	<b>89 048</b>
– of which amortisation payments for finance liabilities to third parties		3 370 649	403 050	340 543	396 952	1 269 604	960 500
– of which amortisation payments for finance liabilities to Credit Suisse Group		800 175	160 175	20 175	41 825	281 000	297 000
<b>Total amortisation payments for finance liabilities</b>		<b>4 170 824</b>	<b>563 225</b>	<b>360 718</b>	<b>438 777</b>	<b>1 550 604</b>	<b>1 257 500</b>

in CHF 1 000	31.12.2009 Book value	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Accounts payable	23 278	23 278	23 278	–	–	–	–
Current financial liabilities	908 323	912 115	767 671	144 444	–	–	–
Other current liabilities	24 249	24 249	24 249	–	–	–	–
Non-current financial liabilities	3 502 829	3 962 502	39 067	66 132	1 024 285	1 461 292	1 371 726
<b>Total non-derivative financial liabilities</b>	<b>4 458 679</b>	<b>4 922 144</b>	<b>854 265</b>	<b>210 576</b>	<b>1 024 285</b>	<b>1 461 292</b>	<b>1 371 726</b>
Other non-current financial liabilities	9 228	38 628	3 773	3 714	7 512	18 799	4 830
<b>Total derivative financial liabilities</b>	<b>9 228</b>	<b>38 628</b>	<b>3 773</b>	<b>3 714</b>	<b>7 512</b>	<b>18 799</b>	<b>4 830</b>
<b>Total financial liabilities</b>	<b>4 467 907</b>	<b>4 960 772</b>	<b>858 038</b>	<b>214 290</b>	<b>1 031 797</b>	<b>1 480 091</b>	<b>1 376 556</b>
– of which interest payments for finance liabilities to third parties		353 851	30 674	56 484	73 293	128 748	64 652
– of which interest payments for finance liabilities to Credit Suisse Group		109 683	9 512	12 124	19 248	46 336	22 463
<b>Total interest payments</b>		<b>463 534</b>	<b>40 186</b>	<b>68 608</b>	<b>92 541</b>	<b>175 084</b>	<b>87 115</b>
– of which amortisation payments for finance liabilities to third parties		3 536 887	558 277	89 486	881 744	1 062 769	944 611
– of which amortisation payments for finance liabilities to Credit Suisse Group		874 195	208 275	52 482	50 000	223 438	340 000
<b>Total amortisation payments for finance liabilities</b>		<b>4 411 082</b>	<b>766 552</b>	<b>141 968</b>	<b>931 744</b>	<b>1 286 207</b>	<b>1 284 611</b>

The weighted-average residual term to maturity of all interest-bearing financial liabilities was 3.9 [3.4] years due to the contractual maturities.

#### Currency risk

Currency risk is the risk that movements in the exchange rates could have an effect on the profit or book value of the financial instruments held by Swiss Prime Site. There is currently no significant currency risk.

#### Credit risk

Credit risk is the risk that Swiss Prime Site suffers financial losses if a customer or counterparty of a financial instrument does not meet its contractual obligations. To have a positive impact on cash flows, outstanding debt risk is managed through active debt management.

Rent defaults are prevented as far as possible by maintaining a balanced tenant mix and avoiding dependencies on large tenants. Firstly, overdue amounts are prevented by performing strict credit checks before entering into a contract. Secondly, efficient debt collection and legal case reporting by the administrators ensure that debt levels are kept as low as possible.

The threat of outstanding debt risks is influenced by general economic development. As a result, it is possible that tenants have a good credit rating at the time of signing a contract, but then run into payment difficulties when the economic situation deteriorates.

The credit risk is limited to the book value of the concerning financial assets. The maximum default risk as at the balance sheet date was:

in CHF 1 000	31.12.2010	31.12.2009
Cash (without cash in hand)	8 009	88 257
Securities	1 285	1 329
Accounts receivable	97 486	166 960
Current accounts	8 235	7 126
Other receivables	249	4 694
Non-current financial investments*	2 029	3 147
Derivatives with positive fair value	–	142
<b>Maximum credit risk</b>	<b>117 293</b>	<b>271 655</b>

\* without derivatives

### Interest risk

Interest risk is the risk that movements in interest rates can have an effect on the profit and/or fair value of the financial instruments held by Swiss Prime Site.

As at the balance sheet date, the following fixed and variable interest-bearing financial instruments existed:

in CHF 1 000	31.12.2010	31.12.2009
<b>Fixed interest-bearing financial instruments</b>		
Financial assets	688	3 289
Financial liabilities	3 740 366	4 028 525
<b>Surplus of fixed interest-bearing financial liabilities</b>	<b>3 739 678</b>	<b>4 025 236</b>
<b>Variable interest-bearing financial instruments</b>		
Financial assets	8 009	88 257
Financial liabilities	430 458	382 556
<b>Surplus of variable interest-bearing financial liabilities</b>	<b>422 449</b>	<b>294 299</b>

Interest risk is continuously monitored and assessed by the Management Board. Depending on the expected developments of long-term interest rates and taking into account the current market environment, an individual decision as to the term to maturity is made at each refinancing. Particular attention is paid to a balanced maturity profile, and the entire interest exposure is continuously taken into account. Derivatives are used as well.

The Group's cash is invested on a short-term basis. For more information regarding interest-bearing borrowed capital, see Notes 26 «Current liabilities» and 27 «Non-current financial liabilities».

**Current and non-current financial liabilities, split by interest rate**

in CHF 1 000	31.12.2010	Thereof to related parties	31.12.2009	Thereof to related parties
Financial liabilities up to 3.00%	2 497 958	345 000	2 530 073	346 275
Financial liabilities up to 3.50%	675 050	285 000	711 394	315 000
Financial liabilities up to 3.75%	335 153	118 153	471 401	160 438
Financial liabilities up to 4.00%	93 372	52 022	94 032	52 482
Financial liabilities up to 4.75%	569 291	–	604 182	–
<b>Total financial liabilities</b>	<b>4 170 824</b>	<b>800 175</b>	<b>4 411 082</b>	<b>874 195</b>

The weighted-average interest rate for all interest-bearing financial liabilities was 2.8% [2.8%]. The loans were mainly taken at fixed interest rates.

**Interest rate sensitivity of fixed interest-bearing financial instruments**

Swiss Prime Site has not recognised any fixed interest-bearing financial instruments at fair value in the balance sheet. Therefore, a change in interest rates would not influence the comprehensive income.

**Interest rate sensitivity of variable interest-bearing financial instruments**

The following sensitivity analysis is based on the book values of variable interest-bearing financial instruments as at balance sheet date and shows how the interest result would change if the interest level increased or decreased by 0.5%.

in CHF 1 000	2010	2009
Change of interest result with increase of interest rate by 0.5%	158	(1 109)
Change of interest result with decrease of interest rate by 0.5%	1 239	1 243

**Derivatives and hedge accounting**

Swiss Prime Site uses various derivatives (swaps and caps) for the purpose of partial interest fixing of variable interest-bearing financial liabilities. Hedge accounting in the sense of IAS 39 is not used. The swaps are balanced on a net basis.

**Special price risk**

Special price risk is the risk that adjustments in fair value of securities can have an effect on the profit and fair value of the securities held by Swiss Prime Site.

A change of the fair value of securities amounting to 10% would accordingly increase or reduce the profit by CHF 0.129 million [CHF 0.133 million]. The fair value of securities corresponds to the listing price as at the balance sheet date.

**Fair value**

The book values of the financial instruments valued at amortised cost approach their fair value. The fair value of the outstanding SPS Beteiligungen Alpha AG (prior to the merger of Jelmoli Holding Ltd) bond issues was CHF 178.168 million [CHF 180.863 million] (JEL04) and CHF 213.700 million [CHF 214.000 million] (JEL05), based on the market price as at 31.12.2010. The fair value of the outstanding 1.875% Swiss Prime Site convertible bond 2010–2015 for CHF 300.000 million was CHF 318.000 million [outstanding 2.0% convertible bond 2005–2010 CHF 123.660 million] based on the market price on the closing date.

The financial instruments valued at fair value in the consolidated balance sheet are classified in a three-level hierarchy according to their valuation method. The levels are defined as follows:

Level 1	Fair value is determined on the basis of (unchanged) quotations in active markets for identical assets and liabilities.
Level 2	Fair value is determined on the basis of input factors other than the quotations of level 1. The input factors for financial assets and liabilities in markets must be directly (for example quotations) or indirectly (for example derived from quotations) observable.
Level 3	Fair value is determined on the basis of input factors which are not based on observable markets.

As at balance sheet date, the fair value hierarchy was as follows:

in CHF 1 000	31.12.2010 Level 1	31.12.2010 Level 2	31.12.2010 Total
Securities	1 285	–	1 285
<b>Subtotal</b>	<b>1 285</b>	<b>–</b>	<b>1 285</b>
Derivatives with negative fair values	–	(17 411)	(17 411)
<b>Total at 31.12.2010</b>	<b>1 285</b>	<b>(17 411)</b>	<b>(16 126)</b>

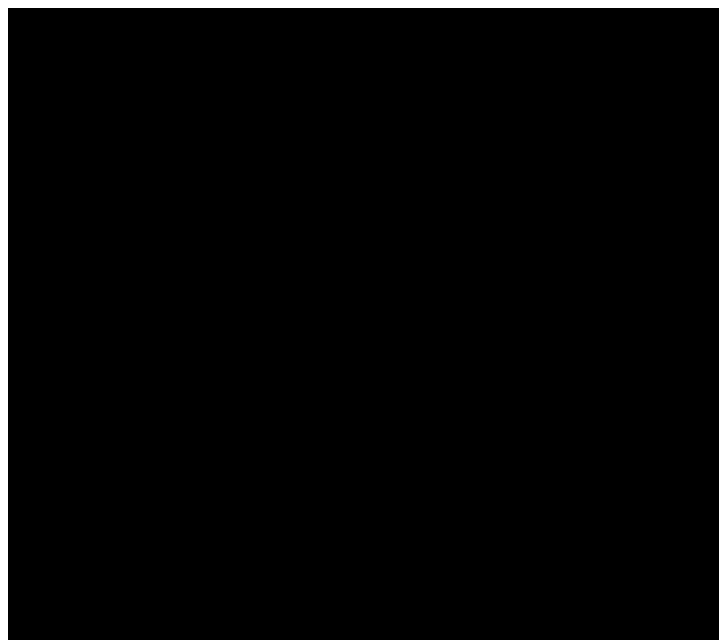
in CHF 1 000	31.12.2009 Level 1	31.12.2009 Level 2	31.12.2009 Total
Securities	1 329	–	1 329
Derivatives with positive fair values	–	142	142
<b>Subtotal</b>	<b>1 329</b>	<b>142</b>	<b>1 471</b>
Derivatives with negative fair values	–	(9 228)	(9 228)
<b>Total at 31.12.2010</b>	<b>1 329</b>	<b>(9 086)</b>	<b>(7 757)</b>

### 37 EVENTS AFTER THE BALANCE SHEET DATE

The annual consolidated financial statements were approved for publication by the Board of Directors on 07.03.2011 and are subject to the approval of the Annual General Meeting of Swiss Prime Site AG of 19.04.2011.

Jemoli Holding Ltd divested its interest in Athris Holding Ltd through a spin-off in March 2009 – i.e. still prior to the acquisition by Swiss Prime Site AG. Prior to this spin-off, Jemoli incorporated among other things an Algerian investment through a contribution in kind in Athris Holding Ltd. After the acquisition of Jemoli Group by Swiss Prime Site there was a difference in legal opinion regarding whether the transaction was carried out rightfully according to Algerian law. Swiss Prime Site acquired ownership of the Algerian investment in February 2011 in the context of a settlement. In economic terms, this investment is worth less than CHF 10 million and has no significant influence on the consolidated financial statements.

There were no additional events occurring between 31.12.2010 and the date of publication of these annual financial statements which would result in adjustment of the book values of the Group's assets and liabilities as at 31.12.2010, or which would need to be disclosed.





# Financial statements of Swiss Prime Site AG



## REPORT OF THE STATUTORY AUDITOR ON THE FINANCIAL STATEMENTS TO THE GENERAL MEETING OF SHAREHOLDERS OF SWISS PRIME SITE AG, OLTEN

As statutory auditor, we have audited the accompanying financial statements of Swiss Prime Site AG, which comprise the balance sheet, income statement and notes (pages 122–128) for the year ended 31.12.2010.

### Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements for the year ended 31.12.2010 comply with Swiss law and the company's articles of incorporation.

### Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (Article 728 CO and Article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with Article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Zurich, 07.03.2011  
KPMG AG

Astrid Keller  
Licensed audit expert  
Auditor in charge

Claudius Rügsegger  
Licensed audit expert

## INCOME STATEMENT

in CHF 1 000	Notes	01.01.– 31.12.2010	01.01.– 31.12.2009
<b>Operating income</b>			
Income from investments in participations	4	242 000	66 500
Other operating income		162	–
<b>Total operating income</b>		<b>242 162</b>	<b>66 500</b>
<b>Operating expenses</b>			
Personnel costs	9	1 569	1 250
Other costs		4 822	31 532
<b>Total operating expenses</b>		<b>6 391</b>	<b>32 782</b>
<b>Operating result</b>		<b>235 771</b>	<b>33 718</b>
<b>Financial result</b>			
Financial expenses	3/5	70 245	71 456
Financial income		34 472	37 111
<b>Total financial result</b>		<b>35 773</b>	<b>34 345</b>
<b>Amortisation</b>			
Amortisation of convertible bond costs	3	1 220	578
<b>Total amortisation</b>		<b>1 220</b>	<b>578</b>
<b>Operating result (before taxes)</b>		<b>198 778</b>	<b>(1 205)</b>
Current income taxes		1 800	–
<b>Annual profit/(loss)</b>	12	<b>196 978</b>	<b>(1 205)</b>

## BALANCE SHEET

in CHF 1 000	Notes	31.12.2010	31.12.2009
<b>Assets</b>			
Cash		510	5 253
Securities, shares of Swiss Prime Site AG	5	46	5 168
Securities, other		116	100
Other receivables			
– from third parties		829	8
Accrued income and prepaid expenses			
– from third parties		30	67
– from group companies		62 000	22 000
<b>Total current assets</b>		<b>63 531</b>	<b>32 596</b>
<b>Capitalised financing costs</b>	3	<b>4 979</b>	<b>196</b>
Financial assets			
– participations	4	4 029 072	3 993 515
– non-current receivables from subsidiaries		1 235 763	1 014 813
<b>Total non-current assets</b>		<b>5 264 835</b>	<b>5 008 328</b>
<b>Total assets</b>		<b>5 333 345</b>	<b>5 041 120</b>
<b>Liabilities and shareholders' equity</b>			
Financial liabilities			
– to third parties	3	444 550	228 400
– to related parties		91 000	257 000
Dividends due		40	21
Accrued expenses and deferred income			
– to third parties		8 660	21 681
– to related parties		3 007	84
<b>Total current liabilities</b>		<b>547 257</b>	<b>507 186</b>
Convertible bond	3	300 000	–
Other non-current liabilities			
– to third parties		1 213 791	1 287 500
– to related parties		620 175	601 000
<b>Total non-current liabilities</b>		<b>2 133 966</b>	<b>1 888 500</b>
<b>Total liabilities</b>		<b>2 681 223</b>	<b>2 395 686</b>
Share capital		831 841	1 022 132
General statutory reserves			1 406 326
– from paid-in capital*	12	1 280 890	
– from retained earnings	5/12	142 808	
Treasury share reserves			15 033
– from paid-in capital*	12	1 165	
– from retained earnings	5/12	1 496	
Free reserves	12	159 729	149 728
Balance sheet profit	12	234 193	52 215
<b>Total shareholders' equity**</b>		<b>2 652 122</b>	<b>2 645 434</b>
<b>Total liabilities and shareholders' equity</b>		<b>5 333 345</b>	<b>5 041 120</b>

\* The confirmation from the Swiss Federal Tax Administration (FTA) regarding reserves from paid-in capital is currently still outstanding.

\*\* Reserves of the current year have been divided into reserves from paid-in capital and from retained earnings as a result of the introduction of the paid-in capital principle effective 01.01.2011.

## 1 PRINCIPLES OF ACCOUNTING AND VALUATION

The financial statements of Swiss Prime Site AG comply with the statutory provisions of the Swiss Code of Obligations (CO).

## 2 PLEDGING OF ASSETS AS SECURITY FOR OWN COMMITMENTS

On the balance sheet date, there were no assets pledged as security for own commitments. In the previous year, 1 214 981 of the shares of Jelmoli Holding Ltd held by Swiss Prime Site AG were mortgaged to finance the cash payment to Pelham Investments Ltd. These shares were released as at 22.01.2010.

## 3 CONVERTIBLE BOND

A convertible bond with the following key parameters was issued on 03.02.2005:

Volume	CHF 170.000 million (outstanding nominal value as at 31.12.2009 CHF 123.400 million)
Interest rate	2.0% p.a., payable annually on 03.02., starting on 03.02.2006
Time to maturity	5 years (03.02.2005–03.02.2010)
Conversion price	CHF 65.00 (on 31.12.2009 CHF 62.08)
Listing	SIX Swiss Exchange
Securities number	2 042 186 (SPS05)

This convertible bond was repaid in full on 03.02.2010.

On 20.01.2010, a convertible bond was issued with the following key data:

Volume	CHF 300.000 million (nominal value on 31.12.2010 CHF 300.000 million)
Interest rate	1.875% p.a., payable annually on 20.01., starting on 20.01.2011
Time to maturity	5 years (20.01.2010–20.01.2015)
Conversion price	CHF 71.89 (on 31.12.2010 CHF 71.89)
Listing	SIX Swiss Exchange
Securities number	10 877 415 (SPS10)

## 4 PARTICIPATIONS

	31.12.2010 Share capital in CHF 1 000	Shareholding interest in %	01.01.– 31.12.2010 Paid-out dividends in CHF 1 000	01.01.– 31.12.2009 Paid-out dividends in CHF 1 000
<b>Participations</b>				
SPS Beteiligungen Alpha AG Investment company Olten, CH	650 000	100.0	62 000	22 000
Jelmoli Holding Ltd* Investment company Zurich, CH	–	–	180 000	–
SPS Finance Limited Financing company Jersey, liquidated on 30.12.2009	–	–	–	44 500

\* Jelmoli Holding Ltd was merged retroactively on 01.01.2010 into SPS Beteiligungen Alpha AG, Olten.

The dividends of SPS Beteiligungen Alpha AG of CHF 62.000 million were decreed by the Annual General Meeting. At the same time, the dividend income was recognised by Swiss Prime Site AG as receivables or income from investments in participations. This approach was permitted since the companies close their accounts on the same balance sheet date, and the resolution to pay the dividend was passed by the Annual General Meeting.

A list of all group companies can be found in Note 33 «Major subsidiaries» to the consolidated financial statements.

## 5 TREASURY SHARES

As at the balance sheet date, Swiss Prime Site AG held 659 [89 100] treasury shares. Purchases and sales were carried out at the applicable daily market rate.

	Volume-weighted average share price in CHF	2010 Number of treasury shares	Volume-weighted average share price in CHF	2009 Number of treasury shares
Holdings of treasury shares on 01.01.	–	89 100	–	1 708 529
Purchases at the volume-weighted average share price	62.87	494 012	57.47	108
Share-based payments	68.80	(7 803)	58.50	(4 552)
Exchange of the residual tendered shares of Jelvoli (squeeze-out on 12.05.2010)	61.87	(574 650)	–	–
Sales at the volume-weighted average share price	–	–	56.61	(1 614 985)
Holdings of treasury shares on 31.12.	–	659	–	89 100

Earnings resulting from fair value changes of treasury shares are shown in net financial income. SPS Beteiligungen Alpha AG purchased treasury shares (233 652) primarily for the redemption of employee options of the former Jelvoli Group (342 019 shares) and additionally sold 5 137 treasury shares.

## 6 CONDITIONAL CAPITAL

The extraordinary General Meeting of 22.10.2009 approved an increase of the conditional capital by 3 470 000 shares to 8 000 000 shares. The conditional capital thus amounts to CHF 122.400 million [CHF 150.400 million]. It is divided into an amount of up to CHF 99.297 million [CHF 122.012 million] (6 490 000 [6 490 000] shares) for exercising options and/or conversion rights granted in connection with bond or similar obligations and an amount of up to CHF 23.103 million [CHF 28.388 million] (1 510 000 [1 510 000] shares) for option rights granted to the shareholders.

## 7 AUTHORISED CAPITAL

For the capital increase of 10.07.2009, CHF 84.224 million of the authorised capital was used to pay part of the purchase price (share part) to Pelham Investments Ltd. The extraordinary General Meeting of 22.10.2009 authorised an increase of the authorised capital to 8 000 000 shares or CHF 122.400 million [CHF 150.400 million]. The Board of Directors is authorised to increase the share capital accordingly at any time before 22.10.2011.

## 8 FUTURE COMMITMENTS AND CONTINGENT LIABILITIES

As a result of the acquisition of Jelmoli Holding Ltd, Swiss Prime Site AG granted guarantees in accordance with Article 111 CO for the 4.25% bond issued by Jelmoli Holding Ltd at a nominal value of CHF 175.000 million with a term up to 2011 and 4.625% bond of nominal value CHF 200.000 million with a term up to 2013.

## 9 COMPENSATION, INVESTMENTS AND LOANS TO MEMBERS OF THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD

### Fees and expenses of the Board of Directors, the Management Board, as well as members of the Audit Committee, Compensation Committee and Investment Committee

in CHF 1 000	Prof. Dr. Hans Peter Wehrli, Chairman of the Board of Directors	Dr. Thomas Wetzel, vice-chairman of the Board of Directors	Christopher M. Chambers, member of the Board of Directors	Dr. Bernhard M. Hammer, member of the Board of Directors	Dr. Rudolf Huber, member of the Board of Directors	Mario F. Seris, member of the Board of Directors	Klaus R. Wecker*, member of the Board of Directors	Markus Graf, member of the Management Board (CEO)	Hanspeter Grüninger**, member of the Management Board and CEO of Jelmoli – The House of Brands	Peter Lehmann, member of the Management Board (CIO)	Peter Wulschleger, member of the Management Board (CFO) and secretary to the Board of Directors	Total
<b>01.01.–31.12.2010</b>												
Basic fee in cash	125	63	55	55	55	55	-	-	-	-	-	408
Share-based payments	165	82	72	72	73	73	-	-	-	-	-	537
Audit Committee fee	-	-	20	20	30	20	-	-	-	-	-	90
Compensation Committee fee	15	20	-	-	-	15	-	-	-	-	-	50
Investment Committee fee	-	20	-	20	-	-	-	-	-	-	-	40
AVS/Invalidity Insurance contributions	(15)	(10)	(8)	-	(8)	-	-	-	-	-	-	(41)
Withholding tax	-	-	(26)	-	-	-	-	-	-	-	-	(26)
Expense allowance	6	6	6	6	6	6	12	5	-	-	3	56
<b>Net fee 2010</b>	<b>296</b>	<b>181</b>	<b>119</b>	<b>173</b>	<b>156</b>	<b>169</b>	<b>12</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>1 114</b>
<b>01.01.–31.12.2009</b>												
Basic fee in cash	75	37	6	30	30	30	-	-	-	-	15	223
Share-based payments	97	48	7	38	38	38	-	-	-	-	-	266
Additional fee	100	50	42	70	68	50	-	-	-	-	-	380
Audit Committee fee	-	-	3	15	15	15	-	-	-	-	-	48
Compensation Committee fee	10	10	-	-	-	10	-	-	-	-	-	30
Investment Committee fee	-	15	-	15	-	-	-	15	-	-	-	45
AVS/Invalidity Insurance contributions	(14)	(9)	-	-	(7)	-	-	-	-	-	-	(30)
Withholding tax	-	-	(14)	-	-	-	-	-	-	-	-	(14)
Expense allowance	6	6	1	11	6	6	2	5	-	-	3	46
<b>Net fee 2009</b>	<b>274</b>	<b>157</b>	<b>45</b>	<b>179</b>	<b>150</b>	<b>149</b>	<b>2</b>	<b>20</b>	<b>n/a</b>	<b>-</b>	<b>18</b>	<b>994</b>

\* since 22.10.2009

\*\* since 01.04.2010

**Share ownership of the Board of Directors and the Management Board**

	31.12.2010 Number of shares	31.12.2009 Number of shares
Prof. Dr. Hans Peter Wehrli, Chairman of the Board of Directors	16 111	13 717
Dr. Thomas Wetzel, vice-chairman of the Board of Directors	2 529	1 332
Christopher M. Chambers, member of the Board of Directors	32 715	29 644
Dr. Bernhard M. Hammer, member of the Board of Directors	4 613	3 560
Dr. Rudolf Huber, member of the Board of Directors	13 288	9 635
Mario F. Seris, member of the Board of Directors	1 200	1 200
Klaus R. Wecken*, member of the Board of Directors	2 568 561	2 943 561
Markus Graf, member of the Management Board (CEO)	18 149	14 179
Hanspeter Grüninger**, member of the Management Board and CEO of Jelmoli – The House of Brands	–	–
Peter Lehmann, member of the Management Board (CIO)	3 500	3 750
Peter Wullschleger, member of the Management Board (CFO) and secretary to the Board of Directors	6 500	4 600
<b>Total</b>	<b>2 667 166</b>	<b>3 025 178</b>

\* since 22.10.2009

\*\* since 01.04.2010

No loans, credits, no other remunerations to the Board of Directors, Management Board and related parties which must be disclosed exist at the present time. There are no outstanding or allocated options.

No additional fees were paid.

**10 RISK MANAGEMENT**

The Board of Directors has, in collaboration with the Audit Committee, the Compensation Committee and the Management Board, identified and assessed operational risks and taken the appropriate measures where necessary. The handling of the risks is described in detail in the notes to the consolidated financial statements in Note 35 «Risk management». The most significant risks are summarised briefly in the following section.

The greatest risks that Swiss Prime Site AG is subject to are firstly, the real estate market itself and secondly, changes in the interest market. The real estate market will be assessed by the Board of Directors with the aid of a market sensitivity analysis created by Wüest & Partner AG. The sensitivity analysis is presented in Note 21 «Investment properties».

Interest risk is minimised by entering predominantly into mortgages with fixed interest rates and a balanced duration. For current liabilities, interest rate fluctuations of up to half a percent are estimated. In Note 36 «Financial instruments and financial risk management» a listing of possible interest rate variations is shown.

Rental income depends on the general economic situation, the real estate market and interest rates. This risk is minimised with a balanced tenant structure, a strict creditworthiness assessment, as well as rigorous debt collection management by the property managers. The Management Board supervises the property managers with the aid of efficient legal case reporting.

To minimise liquidity risk, the required funds are determined by means of rolling liquidity planning and provided by the Management Board to meet ongoing obligations. To protect against larger liabilities or investments, unsecured but not fixed credit limits are available.

## 11 MAJOR SHAREHOLDERS

	31.12.2010 Shareholding interest in %	31.12.2009 Shareholding interest in %
<b>Major shareholders (shareholding interest &gt;3.0%)*</b>		
Credit Suisse Asset Management Funds AG, Zurich	5.0	n/a
Wecken Klaus R., Bettingen	4.7	5.4
Fust Walter, Freienbach	4.7	4.1
Credit Suisse Investment Foundation, Zurich	n/a	3.0
Franklin Resources, Inc., Fort Lauderdale, Florida	n/a	4.5
Pelham Investments Ltd, Baar	n/a	8.2

\* according to entry in the share register or the notifications received by the Company

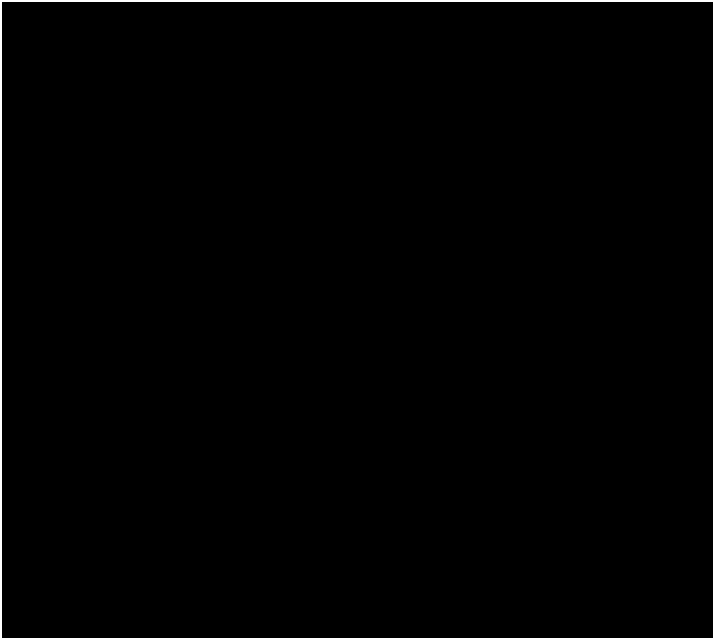
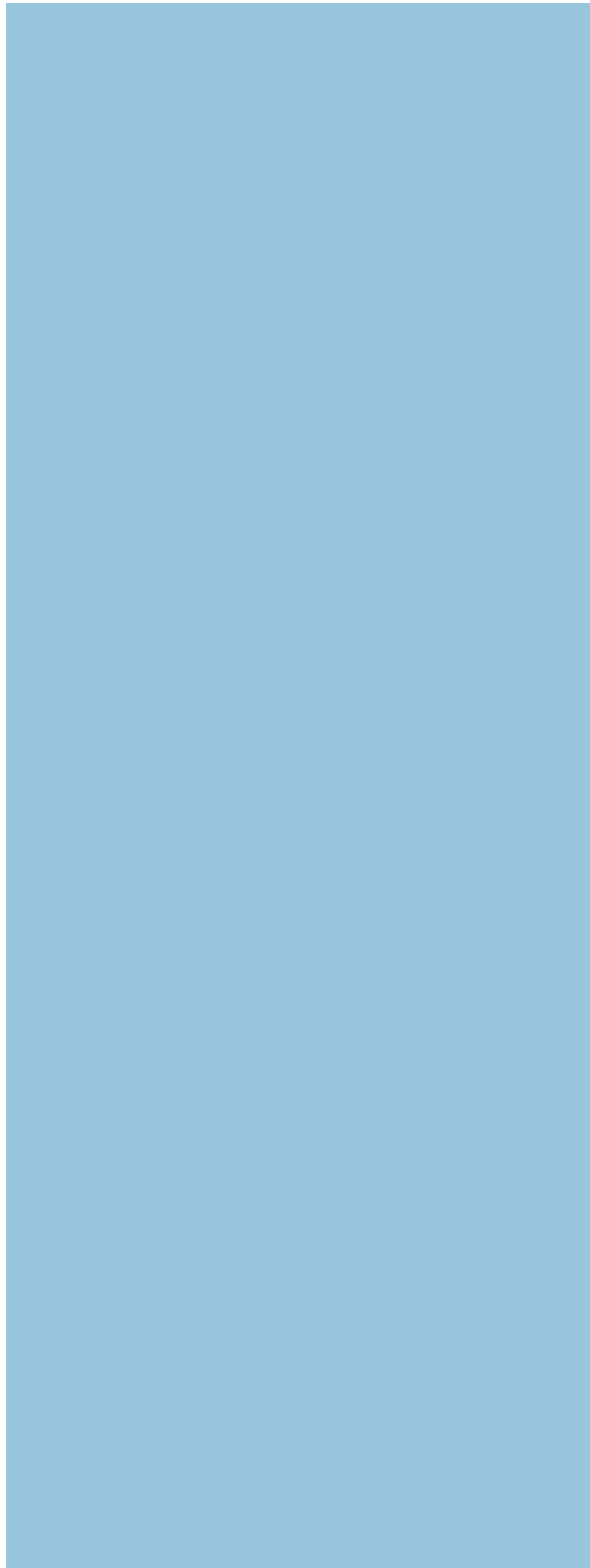
## 12 PROPOSED APPROPRIATION OF BALANCE SHEET PROFIT

The Board of Directors proposes to the Annual General Meeting that the balance sheet profit for the financial year ended 31.12.2010 to the amount of CHF 234.193 million be applied as follows:

in CHF 1 000	31.12.2010	31.12.2009
Retained earnings brought forward	37 215	53 420
Allocation to treasury share reserves	–	–
Annual profit/(loss)	196 978	(1 205)
<b>Total balance sheet profit</b>	<b>234 193</b>	<b>52 215</b>
Allocation to general statutory reserves	–	5 000
Allocation to free reserves	–	10 000
Dividend payment	–	–
<b>Balance brought forward to new account</b>	<b>234 193</b>	<b>37 215</b>

The Board of Directors proposes to the Annual General Meeting of 19.04.2011 to approve a withholding tax-exempt distribution of CHF 3.50 per share from reserves of paid-in capital. Based on the total number of 54 368 714 shares issued at the end of the year, this is equivalent to a reduction of reserves of paid-in capital of CHF 190.290 million.







Property details

## FIGURES FROM THE BALANCE SHEET AND INCOME STATEMENT AS AT 31.12.2010

City, address	Acquisition costs* (before depreciation)	Fair value (source: W&P)	Target rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents 01.01.–31.12.2010	Net rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents %
<b>Commercial properties without significant residential space</b>						
Aarau, Bahnhofstrasse 23	9 195 000.00	12 230 000.00	594 699.70	0.00	594 699.70	0.0
Affoltern a.A., Obere Bahnhofstrasse 14	4 098 000.00	7 751 000.00	354 943.99	682.86	354 261.13	0.2
Allschwil, Hegenheimermattweg 91	67 942 356.01	89 230 000.00	6 914 127.55	0.00	6 914 127.55	0.0
Amriswil, Weinfelderstrasse 74	5 399 021.00	6 020 000.00	437 073.95	35 080.00	401 993.95	8.0
Baden, Bahnhofstrasse 2	5 440 000.00	7 850 000.00	332 220.00	0.00	332 220.00	0.0
Baden, Weite Gasse 34, 36	5 697 000.00	7 481 000.00	385 946.00	32 436.00	353 510.00	8.4
Basel, Aeschenvorstadt 2–4	32 867 000.00	35 460 000.00	2 048 658.00	21 936.00	2 026 722.00	1.1
Basel, Barfüsserplatz 3	23 379 000.00	29 530 000.00	1 471 777.00	19 344.90	1 452 432.10	1.3
Basel, Centralbahnplatz 9/10	13 914 652.67	15 080 000.00	847 409.04	178.80	847 230.24	0.0
Basel, Elisabethenstrasse 15	27 530 000.00	24 680 000.00	1 394 692.08	37 400.00	1 357 292.08	2.7
Basel, Freie Strasse 26/ Falknerstrasse 3	17 430 000.00	31 250 000.00	1 601 785.70	45 880.20	1 555 905.50	2.9
Basel, Freie Strasse 36	24 189 441.00	32 830 000.00	1 600 001.05	0.00	1 600 001.05	0.0
Basel, Freie Strasse 68	47 495 000.00	56 550 000.00	2 934 299.64	28 316.44	2 905 983.20	1.0
Basel, Henric Petri-Strasse 9/ Elisabethenstrasse 19	27 214 000.00	24 810 000.00	1 591 439.40	393 756.84	1 197 682.56	24.7
Basel, Hochbergerstrasse 40/ parking	3 252 722.85	3 600 000.00	507 380.12	3 976.55	503 403.57	0.8
Basel, Hochbergerstrasse 60/ building 805	5 996 138.00	3 562 000.00	247 800.00	0.00	247 800.00	0.0
Basel, Hochbergerstrasse 60/ building 860	2 163 016.95	1 954 000.00	115 471.15	30 571.33	84 899.82	26.5
Basel, Hochbergerstrasse 62/ petrol station	1 394 937.10	9 239 000.00	424 272.00	0.00	424 272.00	0.0
Basel, Hochbergerstrasse 70/ Stückli shopping centre	271 821 000.00	379 550 000.00	23 466 058.06	1 132 494.65	22 333 563.41	4.8
Basel, Messeplatz 12/Messeturm	171 665 000.00	182 330 000.00	10 231 491.83	44 840.56	10 186 651.27	0.4
Basel, Peter Merian-Strasse 80	49 239 000.00	48 220 000.00	2 911 350.08	1 484 829.62	1 426 520.46	51.0
Basel, Rebgrasse 20	47 932 000.00	34 090 000.00	2 447 881.20	0.00	2 447 881.20	0.0
Bellach, Gurzelenstrasse 2	2 496 585.50	3 933 000.00	254 814.42	0.00	254 814.42	0.0
Belp, Aemmenmattstrasse 43	32 985 000.00	19 480 000.00	1 718 230.00	568 674.40	1 149 555.60	33.1
Berne, Bahnhofplatz 9	8 297 000.00	11 390 000.00	578 890.30	0.00	578 890.30	0.0
Berne, Genfergasse 11, 14	84 132 000.00	96 970 000.00	4 288 981.80	0.00	4 288 981.80	0.0
Berne, Laupenstrasse 6	8 024 000.00	9 807 000.00	587 020.83	5 774.53	581 246.30	1.0
Berne, Mingerstrasse 12–18/ PostFinance Arena	105 332 000.00	109 830 000.00	6 517 926.15	0.00	6 517 926.15	0.0
Berne, Schwarztorstrasse 48	44 109 000.00	40 610 000.00	2 773 800.00	0.00	2 773 800.00	0.0
Berne, Weltpoststrasse 5	81 943 000.00	52 160 000.00	6 275 351.20	0.00	6 275 351.20	0.0
Biel, Solothurnstrasse 122	6 862 000.00	7 479 000.00	515 135.46	570.00	514 565.46	0.1
Brugg, Hauptstrasse 2	11 421 362.28	11 530 000.00	864 853.11	448 369.90	416 483.21	51.8
Buchs, St. Gallerstrasse 5	7 670 000.00	6 598 000.00	430 561.32	27 838.00	402 723.32	6.5
Burgdorf, Emmentalstrasse 14	8 740 000.00	7 980 000.00	550 971.90	11 040.00	539 931.90	2.0
Burgdorf, Industry Buchmatt	13 083 066.00	14 680 000.00	792 304.56	0.00	792 304.56	0.0

\* All costs incurred by the purchase of the property (purchase price, legal fees, conveyancing costs, purchase commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, etc.) are recognised as acquisition costs.

## GENERAL PROPERTY DETAILS

City, address	Vacancies as at 31.12.2010 m² %		Site area m²	Register of polluted sites* (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Aarau, Bahnhofstrasse 23	0	0.0	685	no	1946	1986, total renovation	22.12.2003	sole ownership
Affoltern a.A., Obere Bahnhofstrasse 14	11	0.6	2 492	no	1904		29.10.2009	sole ownership
Allschwil, Hegenheimermattweg 91	0	0.0	4 880	no	2006		29.10.2009	sole ownership
Amriswil, Weinfelderstrasse 74	0	0.0	3 672	no	2004		29.10.2009	sole ownership
Baden, Bahnhofstrasse 2	0	0.0	212	no	1927	1975, total renovation	01.04.2004	sole ownership
Baden, Weite Gasse 34, 36	0	0.0	366	no	1953	1975, total renovation	22.12.2003	sole ownership
Basel, Aeschenvorstadt 2–4	0	0.0	1 362	yes, no action required	1960	2005, external renovation	31.10.1999	sole ownership
Basel, Barfüsserplatz 3	0	0.0	751	no	1874	1993, total renovation	22.12.2003	sole ownership
Basel, Centralbahnplatz 9/10	0	0.0	403	no	2005	2005, total renovation	29.10.2009	sole ownership
Basel, Elisabethenstrasse 15	0	0.0	953	yes, no action required	1933	1993, total renovation	31.10.1999	sole ownership
Basel, Freie Strasse 26/ Falknerstrasse 3	148	5.2	471	no	1854	1980, total renovation	01.07.1999	sole ownership
Basel, Freie Strasse 36	0	0.0	517	no	1894	2003, partial renovation	29.10.2009	sole ownership
Basel, Freie Strasse 68	0	0.0	1 461	no	1930	1999, internal renovation	31.10.1999	sole ownership
Basel, Henric Petri-Strasse 9/ Elisabethenstrasse 19	1 384	19.9	2 387	yes, no action required	1949	1985, total renovation	31.10.1999	sole ownership
Basel, Hochbergerstrasse 40/ parking	0	0.0	4 209	no	1976		29.10.2009	sole ownership land lease
Basel, Hochbergerstrasse 60/ building 805	0	0.0	5 420	yes, no action required	1958	2006, partial renovation	29.10.2009	sole ownership
Basel, Hochbergerstrasse 60/ building 860	362	39.8	980	yes, no action required	1990		29.10.2009	sole ownership
Basel, Hochbergerstrasse 62/ petrol station	0	0.0	2 680	yes, no action required	2005		29.10.2009	sole ownership
Basel, Hochbergerstrasse 70/ Stückli shopping centre	5 159	9.4	46 416	yes, almost fully decontami- nated upon construction	2009		29.10.2009	sole ownership
Basel, Messeplatz 12/Messeturm	0	0.0	1 230	yes, no action required	2003		01.06.2001	sole ownership land lease
Basel, Peter Merian-Strasse 80	3 415	37.5	19 214	no	1999		01.04.2001	freehold apartment
Basel, Rebgassee 20	186	2.0	3 713	yes, no action required	1973	1998, partial renovation	29.10.2009	sole ownership
Bellach, Gurzelenstrasse 2	0	0.0	3 839	yes, no action required	1962		29.10.2009	sole ownership
Belp, Aemmenmattstrasse 43	3 776	41.0	5 861	yes, no action required	1992		01.11.1999	sole ownership
Berne, Bahnhofplatz 9	0	0.0	275	no	1930	1985, total renovation	22.12.2003	sole ownership
Berne, Genfergasse 11, 14	0	0.0	4 602	no	1905	1998, total renovation	01.04.2001	sole ownership
Berne, Laupenstrasse 6	0	0.0	503	no	1911	1998, partial renovation	29.10.2009	sole ownership
Berne, Mingerstrasse 12–18/ PostFinance Arena	0	0.0	73 172	yes, no action required	1969/2009	2008/2009, total renovation	01.09.2008	sole ownership land lease
Berne, Schwarztorstrasse 48	0	0.0	1 959	no	1981		31.10.1999	sole ownership
Berne, Weltpoststrasse 5	0	0.0	31 141	no	1975/1985		01.03.2000	sole ownership land lease
Biel, Solothurnstrasse 122	22	0.7	3 882	no	1961	1993, total renovation	29.10.2009	sole ownership land lease
Brugg, Hauptstrasse 2	3 426	78.6	3 364	no	1958	2000, partial renovation	29.10.2009	sole ownership
Buchs, St. Gallerstrasse 5	165	9.2	2 192	no	1995		31.10.1999	sole ownership
Burgdorf, Emmentalstrasse 14	0	0.0	1 845	no	1972	1998, total renovation	31.10.1999	sole ownership
Burgdorf, Industry Buchmatt	0	0.0	15 141	no	1973		29.10.2009	sole ownership partial land lease

\* The register of polluted sites contains suspected but not identified contamination sites, but does not claim to be comprehensive. The Company refrains from purchasing identified or suspected contamination sites, or factors the corresponding costs into its price calculation. However, it cannot be ruled out that latent sources of contamination unknown at the time of purchase may manifest themselves at a later date.

## FIGURES FROM THE BALANCE SHEET AND INCOME STATEMENT AS AT 31.12.2010

City, address	Acquisition costs* (before depreciation)	Fair value (source: W&P)	Target rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents 01.01.–31.12.2010	Net rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents %
<b>Commercial properties without significant residential space</b>						
<b>Carouge</b> , Avenue Cardinal-Mermillod 36–44	96 966 000.00	146 460 000.00	8 852 352.44	30 690.05	8 821 662.39	0.3
<b>Cham</b> , Dorfplatz 2	4 462 000.00	4 520 000.00	253 745.60	0.00	253 745.60	0.0
<b>Conthey</b> , Route Cantonale 2	3 444 603.00	6 452 000.00	382 524.00	0.00	382 524.00	0.0
<b>Conthey</b> , Route Cantonale 4	14 894 000.00	20 320 000.00	1 218 533.30	35 015.14	1 183 518.16	2.9
<b>Conthey</b> , Route Cantonale 11	16 507 353.99	27 330 000.00	1 859 037.01	0.00	1 859 037.01	0.0
<b>Dättwil</b> , Mellingerstrasse 208, sold	0.00	0.00	600 875.03	0.00	600 875.03	0.0
<b>Dietikon</b> , Bahnhofplatz 11	7 253 000.00	8 825 000.00	512 182.40	12 863.00	499 319.40	2.5
<b>Dietikon</b> , Kirchstrasse 20	8 193 000.00	10 000 000.00	596 715.10	0.00	596 715.10	0.0
<b>Dietikon</b> , Zentralstrasse 12	4 010 000.00	4 739 000.00	495 838.44	36 950.00	458 888.44	7.5
<b>Dübendorf</b> , Bahnhofstrasse 1	5 480 000.00	5 794 000.00	446 028.00	0.00	446 028.00	0.0
<b>Eyholz</b> , Kantonsstrasse 79	3 465 786.00	4 549 000.00	288 347.31	0.00	288 347.31	0.0
<b>Frauenfeld</b> , Zürcherstrasse 305	7 844 331.00	9 168 000.00	556 888.56	0.00	556 888.56	0.0
<b>Frick</b> , Hauptstrasse 21, sold	0.00	0.00	60 032.60	0.00	60 032.60	0.0
<b>Frick</b> , Hauptstrasse 132/ Fricktal-Centre A3	15 154 807.85	20 190 000.00	1 137 902.59	48 260.00	1 089 642.59	4.2
<b>Füllinsdorf</b> , Schneckelerstrasse 1	10 757 161.00	11 440 000.00	731 976.72	101 310.26	630 666.46	13.8
<b>Geneva</b> , Centre Rhône-Fusterie	45 838 000.00	67 340 000.00	3 117 936.00	0.00	3 117 936.00	0.0
<b>Geneva</b> , Place Cornavin 10	15 416 014.00	22 960 000.00	1 219 263.84	0.00	1 219 263.84	0.0
<b>Geneva</b> , Place du Molard 2–4	140 195 369.00	195 440 000.00	8 483 786.63	160 053.90	8 323 732.73	1.9
<b>Geneva</b> , Route de Meyrin 49	56 907 000.00	59 590 000.00	3 656 242.55	0.00	3 656 242.55	0.0
<b>Geneva</b> , Rue Céard 14/Croix-d'Or 11	11 341 000.00	16 290 000.00	340 890.16	0.00	340 890.16	0.0
<b>Geneva</b> , Rue de Rive 3	16 797 437.00	26 970 000.00	1 351 032.27	0.00	1 351 032.27	0.0
<b>Geneva</b> , Rue du Rhône 48–50	132 784 000.00	377 590 000.00	18 096 904.21	87 386.38	18 009 517.83	0.5
<b>Geneva Airport</b> , Route de Pré-Bois 16, sold	0.00	0.00	0.00	0.00	0.00	0.0
<b>Giubiasco</b> , Via Campagna 1, sold	0.00	0.00	217 528.11	0.00	217 528.11	0.0
<b>Glattbrugg</b> , Schaffhauserstrasse 59	5 413 000.00	5 057 000.00	400 049.40	0.00	400 049.40	0.0
<b>Gossau</b> , Wilerstrasse 82	14 955 000.00	18 160 000.00	1 112 502.00	0.00	1 112 502.00	0.0
<b>Grand-Lancy</b> , Route des Jeunes 10	62 643 000.00	52 390 000.00	1 505 694.21	182 321.34	1 323 372.87	12.1
<b>Grand-Lancy</b> , Route des Jeunes 12/ CCL La Praille	158 042 000.00	252 200 000.00	15 268 387.25	164 244.95	15 104 142.30	1.1
<b>Granges-Paccot</b> , Route d'Agy 3	5 012 428.57	7 775 000.00	467 745.00	2 170.25	465 574.75	0.5
<b>Heimberg</b> , Gurnigelstrasse 38	4 601 747.00	7 953 000.00	597 330.00	0.00	597 330.00	0.0
<b>Holderbank</b> , Hauptstrasse 43	2 290 006.00	2 987 000.00	221 221.89	0.00	221 221.89	0.0
<b>Horgen</b> , Zugerstrasse 22, 24	7 870 000.00	10 880 000.00	602 223.10	4 830.00	597 393.10	0.8
<b>Interlaken</b> , Rosenstrasse 9	958 818.00	991 800.00	69 072.00	0.00	69 072.00	0.0
<b>Jona</b> , Grünfeldstrasse 25	11 995 000.00	11 740 000.00	1 336 106.55	0.00	1 336 106.55	0.0

\* All costs incurred by the purchase of the property (purchase price, legal fees, conveyancing costs, purchase commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, etc.) are recognised as acquisition costs.

## GENERAL PROPERTY DETAILS

City, address	Vacancies as at 31.12.2010 m² %		Site area m²	Register of polluted sites* (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Carouge, Avenue Cardinal-Mermillod 36–44	344	1.0	14 927	no	1956	2002, partial renovation	29.10.2009	sole ownership
Cham, Dorfplatz 2	0	0.0	523	no	1992		31.10.1999	sole ownership
Conthey, Route Cantonale 2	0	0.0	3 057	no	1989		29.10.2009	sole ownership
Conthey, Route Cantonale 4	86	1.7	7 444	no	2009		29.10.2009	sole ownership land lease
Conthey, Route Cantonale 11	114	1.6	10 537	no	2002		29.10.2009	sole ownership land lease
Dättwil, Mellingerstrasse 208, sold								
Dietikon, Bahnhofplatz 11	0	0.0	1 004	no	1989		31.10.1999	sole ownership
Dietikon, Kirchstrasse 20	0	0.0	1 087	yes, no action required	1988		01.07.1999	sole ownership
Dietikon, Zentralstrasse 12	0	0.0	1 215	no	1965		29.10.2009	sole ownership partial land lease
Dübendorf, Bahnhofstrasse 1	0	0.0	1 309	no	1988		31.10.1999	sole ownership land lease
Eyholz, Kantonsstrasse 79	0	0.0	2 729	no	1991		29.10.2009	sole ownership land lease
Frauenfeld, Zürcherstrasse 305	0	0.0	3 866	yes, no action required	1982	2006, partial renovation	29.10.2009	sole ownership
Frick, Hauptstrasse 21, sold								
Frick, Hauptstrasse 132/ Fricktal-Centre A3	392	7.9	13 365	no	2007		29.10.2009	sole ownership
Füllinsdorf, Schneckelerstrasse 1	820	19.1	3 033	no	1987		29.10.2009	sole ownership
Geneva, Centre Rhône-Fusterie	0	0.0	2 530	no	1990		15.09.1999	freehold apartment
Geneva, Place Cornavin 10	0	0.0	381	no	1958	2003, total renovation	29.10.2009	sole ownership partial land lease
Geneva, Place du Molard 2–4	287	4.0	1 718	no	1690	2002, total renovation	29.10.2009	sole ownership
Geneva, Route de Meyrin 49	652	6.4	9 890	no	1987		01.04.2001	sole ownership
Geneva, Rue Céard 14/Croix-d’Or 11	0	0.0	285	no	1974/1985	1981, total renovation	22.12.2003	sole ownership
Geneva, Rue de Rive 3	0	0.0	377	no	1900	2002, partial renovation	29.10.2009	sole ownership
Geneva, Rue du Rhône 48–50	0	0.0	5 166	no	1921	2002, partial renovation	29.10.2009	sole ownership
Geneva Airport, Route de Pré-Bois 16, sold								
Giubiasco, Via Campagna 1, sold								
Glattbrugg, Schaffhauserstrasse 59	0	0.0	1 429	no	1972	1990, total renovation	31.10.1999	sole ownership
Gossau, Wilerstrasse 82	0	0.0	13 064	yes, only allotment 4415	2007		29.10.2009	sole ownership
Grand-Lancy, Route des Jeunes 10	356	2.8	5 345	no	2003		29.10.2009	sole ownership land lease
Grand-Lancy, Route des Jeunes 12/ CCL La Praille	0	0.0	20 602	no	2002		29.10.2009	sole ownership land lease
Granges-Paccot, Route d’Agy 3	0	0.0	3 550	no	2000		29.10.2009	sole ownership
Heimberg, Gurnigelstrasse 38	0	0.0	7 484	no	2000		29.10.2009	sole ownership land lease
Holderbank, Hauptstrasse 43	0	0.0	4 169	register in preparation	1907	2006, partial renovation	29.10.2009	sole ownership
Horgen, Zugerstrasse 22, 24	0	0.0	868	yes, no action required	1990		31.10.1999	sole ownership
Interlaken, Rosenstrasse 9	0	0.0	316	no	1900	1990, total renovation	29.10.2009	freehold apartment
Jona, Grünfeldstrasse 25	0	0.0	25 483	yes, no action required	1958		30.06.1958	sole ownership

\* The register of polluted sites contains suspected but not identified contamination sites, but does not claim to be comprehensive. The Company refrains from purchasing identified or suspected contamination sites, or factors the corresponding costs into its price calculation. However, it cannot be ruled out that latent sources of contamination unknown at the time of purchase may manifest themselves at a later date.

## FIGURES FROM THE BALANCE SHEET AND INCOME STATEMENT AS AT 31.12.2010

City, address	Acquisition costs* (before depreciation)	Fair value (source: W&P)	Target rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents 01.01.–31.12.2010	Net rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents %
<b>Commercial properties without significant residential space</b>						
<b>Klus-Balsthal</b> , Wengimattstrasse 1/ Solothurnerstrasse	814 669.85	1 519 000.00	86 284.15	0.00	86 284.15	0.0
<b>La Chaux-de-Fonds</b> , Boulevard des Eplatures 44	4 346 870.00	6 259 000.00	401 927.46	0.00	401 927.46	0.0
<b>Lachen</b> , Seidenstrasse 2	6 276 000.00	6 023 000.00	340 426.20	0.00	340 426.20	0.0
<b>Lausanne</b> , Avenue de Chailly 1	3 143 000.00	3 195 000.00	225 993.00	0.00	225 993.00	0.0
<b>Lausanne</b> , Rue de Sébeillon 9/ Sébeillon Centre	15 874 276.00	15 780 000.00	925 789.92	18 204.60	907 585.32	2.0
<b>Lausanne</b> , Rue du Pont 5	38 735 000.00	115 990 000.00	6 802 253.47	21 956.13	6 780 297.34	0.3
<b>Locarno</b> , Largo Zorzi 4/Piazza Grande	19 918 000.00	24 730 000.00	1 547 175.39	18 321.00	1 528 854.39	1.2
<b>Locarno</b> , Parking Centro	10 476 000.00	14 720 000.00	1 411 463.34	0.00	1 411 463.34	0.0
<b>Locarno</b> , Via delle Monache 8	1 220 000.00	893 000.00	66 159.60	130.00	66 029.60	0.2
<b>Lutry</b> , Route de l'Ancienne-Ciblerie 2	18 847 064.00	25 900 000.00	1 834 299.20	0.00	1 834 299.20	0.0
<b>Lucerne</b> , Geissensteinring 45/ Tribtschenstrasse 60, sold	0.00	0.00	1 766 563.50	0.00	1 766 563.50	0.0
<b>Lucerne</b> , Pilatusstrasse 4/Flora	40 162 822.00	55 350 000.00	2 921 698.45	1 961.55	2 919 736.90	0.1
<b>Lucerne</b> , Schwanenplatz 3	7 878 000.00	12 660 000.00	583 385.45	0.00	583 385.45	0.0
<b>Lucerne</b> , Tribtschenstrasse 54, sold	0.00	0.00	174 675.00	0.00	174 675.00	0.0
<b>Lucerne</b> , Tribtschenstrasse 56, 60, sold	0.00	0.00	157 198.00	0.00	157 198.00	0.0
<b>Lucerne</b> , Weggisgasse 20, 22	9 155 000.00	13 090 000.00	662 484.00	0.00	662 484.00	0.0
<b>Lucerne</b> , Weinberglistrasse 4/ Tribtschenstrasse 62	49 000 000.00	47 720 000.00	3 211 280.00	42 251.90	3 169 028.10	1.3
<b>Mägenwil</b> , Weststrasse 6/ Birrfeldstrasse south	1 810 000.00	3 185 000.00	166 396.15	0.00	166 396.15	0.0
<b>Meyrin</b> , Route de Meyrin 210	1 519 857.75	1 958 000.00	192 430.10	0.00	192 430.10	0.0
<b>Montreux</b> , Avenue du Casino 51, sold	0.00	0.00	186 747.31	300.00	186 447.31	0.2
<b>Moosseedorf</b> , Moosstrasse 23	5 053 861.00	4 745 000.00	353 753.99	9 187.80	344 566.19	2.6
<b>Neuchâtel</b> , Avenue J.-J. Rousseau 7	9 002 000.00	7 066 000.00	490 000.00	74 130.50	415 869.50	15.1
<b>Neuchâtel</b> , Rue de l'Ecluse 19/parking	332 726.00	470 200.00	34 097.25	840.00	33 257.25	2.5
<b>Neuchâtel</b> , Rue du Temple-Neuf 11	3 162 273.00	4 238 000.00	285 397.65	0.00	285 397.65	0.0
<b>Neuchâtel</b> , Rue du Temple-Neuf 14	11 936 000.00	14 480 000.00	1 375 061.36	0.00	1 375 061.36	0.0
<b>Niederwangen near Berne</b> , Riedmoosstrasse 10	28 232 000.00	36 980 000.00	2 338 156.26	0.00	2 338 156.26	0.0
<b>Oberbüren</b> , Buchental 2	5 740 992.00	12 050 000.00	766 296.32	0.00	766 296.32	0.0
<b>Oberbüren</b> , Buchental 3	2 821 059.00	5 012 000.00	379 586.41	0.00	379 586.41	0.0
<b>Oberbüren</b> , Buchental 3a	1 975 458.00	2 864 000.00	236 657.61	0.00	236 657.61	0.0
<b>Oberbüren</b> , Buchental 4	20 977 168.00	24 110 000.00	1 490 723.54	0.00	1 490 723.54	0.0
<b>Oberbüren</b> , Haslen 3/ logistics centre Haslen	25 910 948.00	52 460 000.00	3 142 260.72	0.00	3 142 260.72	0.0
<b>Oberwil</b> , Mühlemattstrasse 23	3 441 109.00	4 422 000.00	304 023.21	0.00	304 023.21	0.0

\* All costs incurred by the purchase of the property (purchase price, legal fees, conveyancing costs, purchase commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, etc.) are recognised as acquisition costs.

## GENERAL PROPERTY DETAILS

City, address	Vacancies as at 31.12.2010 m² %		Site area m²	Register of polluted sites* (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Klus-Balsthal, Wengimattstrasse 1/ Solothurnerstrasse	0	0.0	3 602	yes, no action required	2001		29.10.2009	sole ownership
La Chaux-de-Fonds, Boulevard des Eplatures 44	0	0.0	3 021	no	1972		29.10.2009	sole ownership
Lachen, Seidenstrasse 2	0	0.0	708	no	1993		31.10.1999	sole ownership
Lausanne, Avenue de Chailly 1	0	0.0	498	no	1925	1999, internal renovation	31.10.1999	sole ownership
Lausanne, Rue de Sébeillon 9/ Sébeillon Centre	207	2.1	2 923	no	1930	2001, partial renovation	29.10.2009	sole ownership
Lausanne, Rue du Pont 5	23	0.1	3 783	no	1910	2004, partial renovation	29.10.2009	sole ownership
Locarno, Largo Zorzi 4/Piazza Grande	127	1.9	2 365	no	1956	2001, partial renovation	29.10.2009	sole ownership
Locarno, Parking Centro	0	0.0	4 013	no	1990	2001, total renovation	29.10.2009	sole ownership land lease
Locarno, Via delle Monache 8	0	0.0	2 409	no	1989		29.10.2009	freehold apartment
Lutry, Route de l'Ancienne-Ciblerie 2	0	0.0	13 287	no	2006		29.10.2009	freehold apartment
Lucerne, Geissensteinring 45/ Tribtschenstrasse 60, sold								
Lucerne, Pilatusstrasse 4/Flora	0	0.0	4 376	no	1979	2008, partial renovation	29.10.2009	freehold apartment
Lucerne, Schwanenplatz 3	0	0.0	250	no	1958	2004, internal renovation	31.10.1999	sole ownership
Lucerne, Tribtschenstrasse 54, sold								
Lucerne, Tribtschenstrasse 56, 60, sold								
Lucerne, Weggisgasse 20, 22	0	0.0	228	no	1982		22.12.2003	sole ownership
Lucerne, Weinberglistrasse 4/ Tribtschenstrasse 62	77	0.7	11 466	yes, no action required	1991	1993, total renovation	01.04.2001	sole ownership
Mägenwil, Weststrasse 6/ Birrfeldstrasse south	0	0.0	3 728	no	2007		29.10.2009	sole ownership
Meyrin, Route de Meyrin 210	0	0.0	3 863	no	1979	1999, partial renovation	29.10.2009	sole ownership partial land lease
Montreux, Avenue du Casino 51, sold								
Moosseedorf, Moosstrasse 23	642	42.2	2 397	no	1999		29.10.2009	sole ownership partial land lease
Neuchâtel, Avenue J.-J. Rousseau 7	76	2.4	1 020	yes, no action required	1991	1992, total renovation	31.10.1999	sole ownership
Neuchâtel, Rue de l'Ecluse 19/parking	0	0.0	715	no	1960	1997, total renovation	29.10.2009	sole ownership
Neuchâtel, Rue du Temple-Neuf 11	0	0.0	262	no	1953	1993, partial renovation	29.10.2009	sole ownership
Neuchâtel, Rue du Temple-Neuf 14	0	0.0	1 938	no	1902	1995, total renovation	29.10.2009	sole ownership
Niederwangen near Berne, Riedmoosstrasse 10	0	0.0	12 709	no	1985	2006, partial renovation	29.10.2009	sole ownership
Oberbüren, Buchental 2	0	0.0	6 401	no	1980	2007, partial renovation	29.10.2009	sole ownership
Oberbüren, Buchental 3	0	0.0	4 651	no	1964		29.10.2009	sole ownership
Oberbüren, Buchental 3a	0	0.0	3 613	no	1964		29.10.2009	sole ownership
Oberbüren, Buchental 4	0	0.0	4 963	no	1990		29.10.2009	sole ownership
Oberbüren, Haslen 3/ logistics centre Haslen	0	0.0	15 240	no	2004		29.10.2009	sole ownership
Oberwil, Mühlemattstrasse 23	0	0.0	6 200	no	1986		29.10.2009	sole ownership land lease

\* The register of polluted sites contains suspected but not identified contamination sites, but does not claim to be comprehensive. The Company refrains from purchasing identified or suspected contamination sites, or factors the corresponding costs into its price calculation. However, it cannot be ruled out that latent sources of contamination unknown at the time of purchase may manifest themselves at a later date.

## FIGURES FROM THE BALANCE SHEET AND INCOME STATEMENT AS AT 31.12.2010

City, address	Acquisition costs* (before depreciation)	Fair value (source: W&P)	Target rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents 01.01.–31.12.2010	Net rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents %
<b>Commercial properties without significant residential space</b>						
<b>Oftringen</b> , Spitalweidstrasse 1/ shopping centre a1	73 392 000.00	107 090 000.00	6 562 068.85	55 820.90	6 506 247.95	0.9
<b>Olten</b> , Bahnhofquai 18	25 731 000.00	24 930 000.00	1 590 228.00	0.00	1 590 228.00	0.0
<b>Olten</b> , Bahnhofquai 20	36 990 000.00	35 520 000.00	2 070 756.00	19 100.00	2 051 656.00	0.9
<b>Olten</b> , Baslerstrasse 37/ Ringstrasse 1, sold	0.00	0.00	110 794.55	72.00	110 722.55	0.1
<b>Olten</b> , Frobürgstrasse 1	6 471 000.00	5 954 000.00	214 666.00	116 278.00	98 388.00	54.2
<b>Olten</b> , Frobürgstrasse 15	8 860 000.00	10 360 000.00	577 338.25	24 931.25	552 407.00	4.3
<b>Olten</b> , Solothurnerstrasse 201	4 067 159.06	5 525 000.00	333 099.54	0.00	333 099.54	0.0
<b>Olten</b> , Solothurnerstrasse 231/Usego	22 587 000.00	14 000 000.00	1 490 662.20	1 147 526.85	343 135.35	77.0
<b>Otelfingen</b> , Industriestrasse 19/21	109 820 000.00	98 090 000.00	7 371 657.11	122 552.35	7 249 104.76	1.7
<b>Otelfingen</b> , Industriestrasse 31	20 544 000.00	20 600 000.00	1 479 317.80	13 495.70	1 465 822.10	0.9
<b>Payerne</b> , Route de Bussy 2	14 954 184.04	20 040 000.00	1 224 602.51	0.00	1 224 602.51	0.0
<b>Petit-Lancy</b> , Route de Chancy 59	102 499 000.00	119 850 000.00	7 043 791.52	57 286.83	6 986 504.69	0.8
<b>Porrentruy</b> , Rue Pierre-Péquignat 7, sold	0.00	0.00	319 862.47	124.57	319 737.90	0.0
<b>Rapperswil</b> , Rathausstrasse 8	15 996 000.00	16 340 000.00	1 159 547.18	0.00	1 159 547.18	0.0
<b>Romanel</b> , Chemin du Marais 8	15 136 957.00	19 400 000.00	1 279 095.45	0.00	1 279 095.45	0.0
<b>Romanshorn</b> , Alleestrasse 27	997 394.00	750 300.00	79 272.84	77 272.84	2 000.00	97.5
<b>Rümlang</b> , Hofwisenstrasse 50	29 987 000.00	20 910 000.00	1 883 083.55	1 745 746.50	137 337.05	92.7
<b>Schattdorf</b> , Umfahrungsstrasse 2	596 748.00	972 900.00	84 007.14	0.00	84 007.14	0.0
<b>Schwyz</b> , Oberer Steisteg 18, 20	9 128 000.00	8 370 000.00	517 571.15	0.00	517 571.15	0.0
<b>Sion</b> , Avenue de Tourbillon 47, sold	0.00	0.00	12 093.34	0.00	12 093.34	0.0
<b>Solothurn</b> , Amthausplatz 1	14 862 000.00	12 220 000.00	853 624.30	0.00	853 624.30	0.0
<b>Solothurn</b> , Lagerhausstrasse 1	13 520 000.00	9 947 000.00	862 816.85	228 029.68	634 787.17	26.4
<b>Spreitenbach</b> , Fegistrasse 14–22	21 432 000.00	11 180 000.00	1 410 019.82	615 029.52	794 990.30	43.6
<b>Spreitenbach</b> , Industriestrasse/Tivoli	6 724 000.00	8 390 000.00	463 955.85	13 956.00	449 999.85	3.0
<b>Spreitenbach</b> , Müslistrasse 44	3 220 869.21	4 791 000.00	246 314.49	0.00	246 314.49	0.0
<b>Spreitenbach</b> , Pfadackerstrasse 6/ Limmatpark	108 746 000.00	108 710 000.00	6 493 325.35	773 268.00	5 720 057.35	11.9
<b>St. Gallen</b> , Spisergasse 12	3 590 000.00	4 066 000.00	222 876.00	0.00	222 876.00	0.0
<b>St. Gallen</b> , Vadianstrasse 25	7 736 000.00	6 840 000.00	639 516.90	150 387.85	489 129.05	23.5
<b>St. Gallen</b> , Zürcherstrasse 462–464/ Shopping Arena	201 004 000.00	276 270 000.00	15 913 660.77	915 687.05	14 997 973.72	5.8
<b>Sursee</b> , Moosgasse 20	7 513 766.00	11 180 000.00	648 581.27	1 530.81	647 050.46	0.2
<b>Thalwil</b> , Gotthardstrasse 40	3 770 000.00	5 057 000.00	273 508.44	3 750.00	269 758.44	1.4
<b>Thun</b> , Bälliz 67	13 114 000.00	14 670 000.00	810 437.25	4 920.00	805 517.25	0.6
<b>Uster</b> , Poststrasse 10	5 877 000.00	5 543 000.00	376 320.00	0.00	376 320.00	0.0
<b>Uster</b> , Poststrasse 14/20	8 942 706.00	10 440 000.00	650 294.84	5 667.30	644 627.54	0.9
<b>Vernier</b> , Chemin de l'Etang 72/ Patio Plaza	81 678 000.00	85 990 000.00	5 617 165.89	2 304 963.25	3 312 202.64	41.0
<b>Vevey</b> , Rue de la Clergère 1	11 253 000.00	10 520 000.00	715 486.31	0.00	715 486.31	0.0
<b>Villars-sur-Glâne</b> , Route du Petit-Moncor 1, 1a, 1b, sold	0.00	0.00	1 378 861.00	190 665.00	1 188 196.00	13.8

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## GENERAL PROPERTY DETAILS

City, address	Vacancies as at 31.12.2010 m² %		Site area m²	Register of polluted sites* (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Oftringen, Spitalweidstrasse 1/ shopping centre a1	27	0.1	45 269	no	2006		29.10.2009	sole ownership
Olten, Bahnhofquai 18	0	0.0	2 553	no	1996		01.04.2001	sole ownership
Olten, Bahnhofquai 20	0	0.0	1 916	no	1999		01.04.2001	sole ownership
Olten, Baslerstrasse 37/ Ringstrasse 1, sold								
Olten, Froburgstrasse 1	337	29.2	379	no	1899	2009, total renovation	01.07.2008	sole ownership
Olten, Froburgstrasse 15	55	2.9	596	no	1961	1998, external renovation	01.08.1999	sole ownership
Olten, Solothurnerstrasse 201	0	0.0	5 156	no	2006		29.10.2009	sole ownership
Olten, Solothurnerstrasse 231/Usego	8 056	71.2	12 922	yes	1907	2009–2011, total renovation	29.10.2009	sole ownership
Otelfingen, Industriestrasse 19/21	0	0.0	101 933	yes, no action required	1965	2000, partial renovation	29.10.2009	sole ownership
Otelfingen, Industriestrasse 31	0	0.0	12 135	no	1986	1993, partial renovation	29.10.2009	sole ownership
Payerne, Route de Bussy 2	0	0.0	12 400	no	2006		29.10.2009	sole ownership
Petit-Lancy, Route de Chancy 59	1 165	5.3	13 052	no	1990		01.03.2000	sole ownership
Porrentruy, Rue Pierre-Péquignat 7, sold								
Rapperswil, Rathausstrasse 8	0	0.0	1 648	no	1992	2008, internal renovation	31.10.1999	sole ownership
Romanel, Chemin du Marais 8	0	0.0	7 264	no	1973	1995, partial renovation	29.10.2009	sole ownership
Romanshorn, Alleestrasse 27	700	100.0	530	no	1920		29.10.2009	sole ownership
Rümlang, Hofwisenstrasse 50	7 333	67.7	17 720	no	1988	1998, internal renovation	01.03.2000	sole ownership
Schattdorf, Umfahrungsstrasse 2	0	0.0	1 657	no	1987	2005, partial renovation	29.10.2009	freehold apartment
Schwyz, Oberer Steisteg 18, 20	0	0.0	1 039	no	1988	2004, internal renovation	31.10.1999	sole ownership
Sion, Avenue de Tourbillon 47, sold								
Solothurn, Amthausplatz 1	0	0.0	1 614	no	1955	1988, total renovation	31.10.1999	sole ownership
Solothurn, Lagerhausstrasse 1	1 253	31.3	1 166	no	1986	2003, partial renovation	01.07.1999	sole ownership
Spreitenbach, Fegistrasse 14–22	8 099	41.0	18 816	yes, no action required	1956–1973	1972, total renovation	31.10.1999	sole ownership land lease
Spreitenbach, Industriestrasse/Tivoli	125	12.4	25 780	yes, no action required	1974	2009/2010, total renovation	29.10.2009	freehold apartment
Spreitenbach, Müslistrasse 44	0	0.0	2 856	no	2002		29.10.2009	sole ownership
Spreitenbach, Pfadackerstrasse 6/ Limmatpark	4 223	15.4	10 318	no	1972	2003, partial renovation	01.08.2006	sole ownership
St. Gallen, Spisergasse 12	0	0.0	165	no	1423	1984, partial renovation	01.07.2007	sole ownership
St. Gallen, Vadianstrasse 25	552	38.2	800	no	1974	2001, internal renovation	01.04.2000	sole ownership
St. Gallen, Zürcherstrasse 462–464/ Shopping Arena	4 315	10.8	33 106	no	2008		29.10.2009	co-ownership
Sursee, Moosgasse 20	0	0.0	4 185	yes, no action required	1998		29.10.2009	sole ownership
Thalwil, Gotthardstrasse 40	0	0.0	541	no	1958	2004, internal renovation	31.10.1999	sole ownership
Thun, Bälliz 67	0	0.0	875	no	1953	2001, partial renovation	22.12.2003	sole ownership
Uster, Poststrasse 10	0	0.0	701	no	1972	1988, total renovation	31.10.1999	sole ownership
Uster, Poststrasse 14/20	178	5.6	2 449	no	1854	2000, partial renovation	29.10.2009	sole ownership
Vernier, Chemin de l'Etang 72/ Patio Plaza	5 472	40.0	10 169	no	2007		29.10.2009	sole ownership
Vevey, Rue de la Clergère 1	0	0.0	717	no	1927	1994, internal renovation	31.10.1999	sole ownership
Villars-sur-Glâne, Route du Petit-Moncor 1, 1a, 1b, sold								

\* The register of polluted sites contains suspected but not identified contamination sites, but does not claim to be comprehensive. The Company refrains from purchasing identified or suspected contamination sites, or factors the corresponding costs into its price calculation. However, it cannot be ruled out that latent sources of contamination unknown at the time of purchase may manifest themselves at a later date.

## FIGURES FROM THE BALANCE SHEET AND INCOME STATEMENT AS AT 31.12.2010

City, address	Acquisition costs* (before depreciation)	Fair value (source: W&P)	Target rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents 01.01.–31.12.2010	Net rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents %
<b>Commercial properties without significant residential space</b>						
Volketswil, shopping centre Volkiland	137 375 000.00	144 340 000.00	9 737 656.00	9 924.10	9 727 731.90	0.1
Volketswil, Grabenwis-Strasse 1, 3, 5	31 083 000.00	43 400 000.00	2 944 565.20	532 219.60	2 412 345.60	18.1
Wangen near Olten, Dorfstrasse 11, 13	3 271 000.00	3 454 000.00	707 689.00	533 235.60	174 453.40	75.3
Wetzikon, Hinwilerstrasse 11	1 117 500.00	2 035 000.00	107 572.15	0.00	107 572.15	0.0
Wil, Obere Bahnhofstrasse 40	11 082 000.00	15 610 000.00	1 009 352.57	42 591.00	966 761.57	4.2
Winterthur, Theaterstrasse 17	65 042 000.00	65 320 000.00	3 393 670.05	0.00	3 393 670.05	0.0
Winterthur, Untertor 24	6 623 000.00	7 945 000.00	319 175.20	0.00	319 175.20	0.0
Worblaufen, Alte Tiefenaustrasse 6	70 905 000.00	79 060 000.00	4 785 751.20	0.00	4 785 751.20	0.0
Zofingen, Pfistergasse 2, 12, 14, 16, 20	5 363 801.00	4 051 000.00	394 102.33	136 743.55	257 358.78	34.7
Zollikofen, Bernstrasse 160–164, sold	0.00	0.00	1 449 984.36	323 185.40	1 126 798.96	22.3
Zollikon, Bergstrasse 17, 19	9 603 000.00	10 400 000.00	622 915.10	6 525.00	616 390.10	1.0
Zollikon, Forchstrasse 452–456	14 765 000.00	14 310 000.00	733 956.00	0.00	733 956.00	0.0
Zuchwil, Dorfackerstrasse 45/ Birchi-Centre	26 430 156.00	33 670 000.00	2 465 219.48	0.00	2 465 219.48	0.0
Zug, Zählerweg 4, 6/Dammstrasse 19/ Landis+Gyr-Strasse 3/Opus 1	75 903 000.00	98 500 000.00	5 651 204.55	5 366.75	5 645 837.80	0.1
Zug, Zählerweg 8, 10/ Dammstrasse 21, 23/Opus 2	93 780 000.00	123 930 000.00	6 880 118.70	0.00	6 880 118.70	0.0
Zurich, Affolternstrasse 54, 56/ Cityport	120 956 000.00	151 820 000.00	8 999 142.10	27 173.40	8 971 968.70	0.3
Zurich, Bahnhofstrasse 42	32 869 000.00	44 700 000.00	1 353 717.40	49 827.90	1 303 889.50	3.7
Zurich, Bahnhofstrasse 69	7 326 000.00	39 560 000.00	1 444 053.28	15 600.30	1 428 452.98	1.1
Zurich, Bahnhofstrasse 106	22 080 000.00	29 610 000.00	1 140 239.40	0.00	1 140 239.40	0.0
Zurich, Brandschenkestrasse 25	119 757 000.00	117 560 000.00	6 973 611.65	296 079.50	6 677 532.15	4.2
Zurich, Dörflistrasse 120, sold	0.00	0.00	1 301 737.05	33 790.20	1 267 946.85	2.6
Zurich, Flurstrasse 55	167 658 000.00	132 060 000.00	10 378 191.60	0.00	10 378 191.60	0.0
Zurich, Flurstrasse 89	8 145 000.00	7 462 000.00	446 436.00	0.00	446 436.00	0.0
Zurich, Fraumünsterstrasse 16	126 170 000.00	137 650 000.00	5 742 039.45	547 357.00	5 194 682.45	9.5
Zurich, Freilagerstrasse 39, sold	0.00	0.00	388 173.90	121 933.50	266 240.40	31.4
Zurich, Hardstrasse 219/ Eventblock Maag	11 297 700.00	10 800 000.00	2 725 008.02	185.30	2 724 822.72	0.0
Zurich, Josefstrasse 53, 59	47 870 000.00	68 060 000.00	3 943 955.65	46 141.50	3 897 814.15	1.2
Zurich, Kreuzstrasse 54	11 533 000.00	12 650 000.00	626 174.49	0.00	626 174.49	0.0
Zurich, Limmattalstrasse 180	3 129 362.00	2 578 000.00	241 380.00	0.00	241 380.00	0.0
Zurich, Manessestrasse 85	52 068 000.00	44 810 000.00	3 317 289.00	0.00	3 317 289.00	0.0
Zurich, Ohmstrasse 11	20 842 000.00	33 750 000.00	2 102 574.62	16 661.42	2 085 913.20	0.8
Zurich, Parking Nordhaus, sold	0.00	0.00	600 289.95	117 250.00	483 039.95	19.5
Zurich, Reitergasse 9, 11, sold	0.00	0.00	1 195 525.00	0.00	1 195 525.00	0.0
Zurich, Schaffhauserstrasse 339	6 915 000.00	7 535 000.00	461 225.05	0.00	461 225.05	0.0
Zurich, Seidengasse 1/ Jelmoli – The House of Brands	191 785 000.00	679 170 000.00	17 895 398.86	41 405.99	17 853 992.87	0.2
Zurich, Siewerdtstrasse 8	19 290 000.00	13 290 000.00	995 561.10	0.00	995 561.10	0.0
Zurich, Sihlcity	143 666 000.00	179 780 000.00	11 133 046.80	126 010.30	11 007 036.50	1.1
Zurich, Sihlstrasse 24/ St. Annagasse 16	22 310 000.00	32 920 000.00	1 738 636.62	197 402.48	1 541 234.14	11.4

\* All costs incurred by the purchase of the property (purchase price, legal fees, conveyancing costs, purchase commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, etc.) are recognised as acquisition costs.

## GENERAL PROPERTY DETAILS

City, address	Vacancies as at 31.12.2010 m² %		Site area m²	Register of polluted sites* (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Volketswil, shopping centre Volkiland	228	0.7	57 940	yes, no action required	1985	2003, internal renovation	31.12.1999	sole ownership
Volketswil, Grabenwis-Strasse 1, 3, 5	2 906	23.4	8 943	no	2002/2003		11.02.2002	sole ownership
Wangen near Olten, Dorfstrasse 11, 13	7 628	94.1	7 148	no	1968		22.12.2003	sole ownership
Wetzikon, Hinwilerstrasse 11	0	0.0	2 066	no			29.10.2009	sole ownership
Wil, Obere Bahnhofstrasse 40	439	12.9	1 105	no	1958	2008, total renovation	29.10.2009	sole ownership
Winterthur, Theaterstrasse 17	0	0.0	7 535	yes, no action required	1999		01.04.2001	sole ownership
Winterthur, Untertor 24	0	0.0	290	no	1960	2006, partial renovation	22.12.2003	sole ownership
Worblaufen, Alte Tiefenaustrasse 6	0	0.0	21 596	no	1999		01.04.2001	49/100 co-ownership
Zofingen, Pfistergasse 2, 12, 14, 16, 20	1 353	58.7	2 592	no	1790	2001, partial renovation	29.10.2009	sole ownership
Zollikofen, Bernstrasse 160–164, sold								
Zollikon, Bergstrasse 17, 19	0	0.0	1 768	no	1989	2004, internal renovation	31.10.1999	sole ownership
Zollikon, Forchstrasse 452–456	0	0.0	2 626	no	1984/1998		01.01.2007	sole ownership
Zuchwil, Dorfackerstrasse 45/ Birchi-Centre	0	0.0	9 563	no	1997		29.10.2009	sole ownership land lease
Zug, Zählerweg 4, 6/Dammstrasse 19/ Landis+Gyr-Strasse 3/Opus 1	92	0.6	7 400	no	2002		30.06.2000	sole ownership
Zug, Zählerweg 8, 10/ Dammstrasse 21, 23/Opus 2	0	0.0	8 981	no	2003		30.06.2000	sole ownership
Zurich, Affolternstrasse 54, 56/ Cityport	0	0.0	10 754	yes, no action required	2001		15.09.1999	sole ownership
Zurich, Bahnhofstrasse 42	0	0.0	482	no	1968	1990, total renovation	22.12.2003	sole ownership
Zurich, Bahnhofstrasse 69	11	1.0	230	no	1898	2007, partial renovation	29.10.2009	sole ownership
Zurich, Bahnhofstrasse 106	0	0.0	200	yes, permanent monitoring	1958		30.11.2004	sole ownership
Zurich, Brandschenkestrasse 25	1 211	9.1	3 902	no	1910	1984, total renovation	01.04.2001	sole ownership
Zurich, Dörflistrasse 120, sold								
Zurich, Flurstrasse 55	0	0.0	8 270	no	1979	2002, internal renovation	31.10.1999	sole ownership
Zurich, Flurstrasse 89	0	0.0	2 330	no	1949	2003, internal renovation	31.10.1999	sole ownership
Zurich, Fraumünsterstrasse 16	1 050	12.4	2 475	no	1901	1990, total renovation	01.04.2001	sole ownership
Zurich, Freilagerstrasse 39, sold								
Zurich, Hardstrasse 219/ Eventblock Maag	0	0.0	8 002	yes, no action required	1929–1978		n/a	sole ownership
Zurich, Josefstrasse 53, 59	0	0.0	2 931	no	1962/1972	2001, total renovation	01.07.1999	sole ownership
Zurich, Kreuzstrasse 54	0	0.0	638	no	1890	1990, total renovation	30.06.1998	sole ownership
Zurich, Limmattalstrasse 180	0	0.0	477	no	1989	1994, internal renovation	31.10.1999	sole ownership land lease
Zurich, Manessestrasse 85	0	0.0	3 284	no	1985		01.07.2002	sole ownership
Zurich, Ohmstrasse 11	179	2.9	1 970	no	1927	2007, partial renovation	29.10.2009	sole ownership
Zurich, Parking Nordhaus, sold								
Zurich, Reitergasse 9, 11, sold								
Zurich, Schaffhauserstrasse 339	0	0.0	307	no	1957	1997, internal renovation	31.10.1999	sole ownership
Zurich, Seidengasse 1/ Jelmoli – The House of Brands	0	0.0	6 514	no	1896	2009/2010, partial renovation	29.10.2009	sole ownership
Zurich, Siewerdtstrasse 8	0	0.0	1 114	no	1981		30.06.1998	sole ownership
Zurich, Sihlcity	460	1.9	10 162	no	2007		26.06.2003	242/1000 co-ownership
Zurich, Sihlstrasse 24/ St. Annagasse 16	246	8.2	1 155	no	1885	2007, total renovation	29.10.2009	sole ownership

\* The register of polluted sites contains suspected but not identified contamination sites, but does not claim to be comprehensive. The Company refrains from purchasing identified or suspected contamination sites, or factors the corresponding costs into its price calculation. However, it cannot be ruled out that latent sources of contamination unknown at the time of purchase may manifest themselves at a later date.

## FIGURES FROM THE BALANCE SHEET AND INCOME STATEMENT AS AT 31.12.2010

City, address	Acquisition costs* (before depreciation)	Fair value (source: W&P)	Target rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents 01.01.–31.12.2010	Net rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents %
<b>Commercial properties without significant residential space</b>						
Zurich, Stadelhoferstrasse 18	14 247 000.00	20 990 000.00	1 046 586.25	0.00	1 046 586.25	0.0
Zurich, Stadelhoferstrasse 22	21 170 000.00	27 120 000.00	1 506 134.75	0.00	1 506 134.75	0.0
Zurich, Steinmühleplatz/ Jelmoli parking	23 488 000.00	37 650 000.00	3 352 504.95	168.10	3 352 336.85	0.0
Zurich, Steinmühleplatz 1/ St. Annagasse 18/Sihlstrasse 20	40 487 000.00	85 390 000.00	2 946 731.80	242 904.20	2 703 827.60	8.2
Zurich, Talacker 21, 23	46 755 000.00	61 200 000.00	2 966 600.20	600.00	2 966 000.20	0.0
Zurich, Zweierstrasse 25, sold	0.00	0.00	343 112.00	0.00	343 112.00	0.0
<b>Total I</b>	<b>5 364 501 617.68</b>	<b>7 108 370 200.00</b>	<b>411 415 446.48</b>	<b>17 485 714.67</b>	<b>393 929 731.81</b>	<b>4.3</b>
<b>Mixed properties</b>						
Basel, Steinen vorstadt 67, sold	0.00	0.00	424 550.00	16 008.00	408 542.00	3.8
Biel, Zentralstrasse 36/ Plänkestrasse 39, sold	0.00	0.00	28 997.17	3 255.00	25 742.17	11.2
Geneva, Quai du Seujet 30	11 368 000.00	12 970 000.00	917 548.00	3 700.00	913 848.00	0.4
Geneva, Route de Malagnou 6/ Rue Michel-Chauvet 7	12 807 000.00	16 500 000.00	833 198.00	0.00	833 198.00	0.0
Geneva, Rue de la Croix-d'Or 7/ Rue Neuve-du-Molard 4–6	36 832 000.00	49 680 000.00	2 269 928.00	565.00	2 269 363.00	0.0
Gerlafingen, Kriegstettenstrasse 14, sold	0.00	0.00	125 271.81	5 078.75	120 193.06	4.1
Gerlafingen, Kriegstettenstrasse 14, sold	0.00	0.00	210 802.18	0.00	210 802.18	0.0
Lausanne, Rue de la Mercerie 14	2 981 720.00	2 889 000.00	156 682.56	0.00	156 682.56	0.0
Lausanne, Rue de la Mercerie 16–20	3 003 072.00	5 476 000.00	321 629.72	2 450.00	319 179.72	0.8
Montévrax, Pra-Mathaux 141, sold	0.00	0.00	10 300.00	0.00	10 300.00	0.0
Moosseedorf, Moosstrasse 21	2 555 307.00	1 935 000.00	126 796.20	13 327.70	113 468.50	10.5
Oberbüren, Buchental 5	1 077 965.00	1 023 000.00	65 400.00	0.00	65 400.00	0.0
St. Gallen, Bohl 1/Goliathgasse 6	21 052 000.00	23 620 000.00	1 354 392.00	8 781.00	1 345 611.00	0.6
St. Gallen, Spisergasse 12	7 158 000.00	9 061 000.00	492 672.00	0.00	492 672.00	0.0
St. Gallen, Zeughausgasse 22, sold	0.00	0.00	273 768.17	1 800.00	271 968.17	0.7
Sursee, Moosgasse 24, sold	0.00	0.00	11 700.00	0.00	11 700.00	0.0
Thônex, Avenue Adrien-Jeandin 4, sold	0.00	0.00	25 102.90	2 054.20	23 048.70	8.2
Thônex, Rue de Genève 104–108	58 832 000.00	83 350 000.00	4 415 396.12	61 225.93	4 354 170.19	1.4
Vevey, Rue du Simplon 11, sold	0.00	0.00	8 112.88	0.00	8 112.88	0.0
Visp, Kantonsstrasse 8	3 454 868.00	3 813 000.00	266 063.38	0.00	266 063.38	0.0
Zofingen, Pfistergasse 22	1 234 000.00	899 000.00	62 916.00	0.00	62 916.00	0.0
Zurich, Birmensdorferstrasse 20/ Grüngasse 2, sold	0.00	0.00	872 630.52	455.00	872 175.52	0.1
Zurich, Freischützgasse 14, sold	0.00	0.00	613 624.10	4 765.00	608 859.10	0.8
Zurich, Hönnggerstrasse 40/ Röschbachstrasse 22	27 880 000.00	28 480 000.00	2 330 316.15	792 897.50	1 537 418.65	34.0
Zurich, Nanssenstrasse 5/7	31 803 000.00	38 730 000.00	2 415 468.25	93 359.04	2 322 109.21	3.9

\* All costs incurred by the purchase of the property (purchase price, legal fees, conveyancing costs, purchase commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, etc.) are recognised as acquisition costs.

## GENERAL PROPERTY DETAILS

City, address	Vacancies as at 31.12.2010 m² %		Site area m²	Register of polluted sites* (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Zurich, Stadelhoferstrasse 18	0	0.0	1 046	no	1983	2004, internal renovation	30.06.1998	sole ownership
Zurich, Stadelhoferstrasse 22	0	0.0	1 024	no	1983	2004, internal renovation	30.06.1998	sole ownership
Zurich, Steinmühleplatz/ Jelmoli parking	0	0.0	1 970	yes, no action required	1972	2009, partial renovation	29.10.2009	sole ownership
Zurich, Steinmühleplatz 1/ St. Annagasse 18/Sihlstrasse 20	670	10.5	1 534	yes, no action required	1957	1999, total renovation	29.10.2009	sole ownership
Zurich, Talacker 21, 23	0	0.0	1 720	no	1965	2008, internal renovation	31.10.1999	sole ownership
Zurich, Zweierstrasse 25, sold								
Total I	80 620	6.0	1 104 103					
Mixed properties								
Basel, Steinvorstadt 67, sold								
Biel, Zentralstrasse 36/ Plänkestrasse 39, sold								
Geneva, Quai du Seujet 30	0	0.0	389	no	1984		01.07.1999	sole ownership
Geneva, Route de Malagnou 6/ Rue Michel-Chauvet 7	0	0.0	1 321	no	1960/1969	1989, total renovation	01.06.2000	sole ownership
Geneva, Rue de la Croix-d'Or 7/ Rue Neuve-du-Molard 4–6	30	0.9	591	no	1974/1985	1994, partial renovation	15.09.2004	sole ownership
Gerlafingen, Kriegstettenstrasse 14, sold								
Gerlafingen, Kriegstettenstrasse 14, sold								
Lausanne, Rue de la Mercerie 14	0	0.0	220	no	1900	2002, total renovation	29.10.2009	sole ownership
Lausanne, Rue de la Mercerie 16–20	0	0.0	400	no	1930		29.10.2009	sole ownership
Montévrax, Pra-Mathaux 141, sold								
Moosseedorf, Moosstrasse 21	91	14.5	948	no	1999		29.10.2009	sole ownership partial land lease
Oberbüren, Buchental 5	0	0.0	3 456	yes, no action required	1920		29.10.2009	sole ownership
St. Gallen, Bohl 1/Goliathgasse 6	0	0.0	1 131	no	1920	1995, total renovation	01.06.1999	sole ownership
St. Gallen, Spisergasse 12	0	0.0	208	no	1900	1998, partial renovation	01.04.2004	sole ownership
St. Gallen, Zeughausgasse 22, sold								
Sursee, Moosgasse 24, sold								
Thônex, Avenue Adrien-Jeandin 4, sold								
Thônex, Rue de Genève 104–108	0	0.0	9 224	no	2008		29.10.2009	sole ownership
Vevey, Rue du Simplon 11, sold								
Visp, Kantonsstrasse 8	0	0.0	806	no	1959		29.10.2009	sole ownership
Zofingen, Pfistergasse 22	0	0.0	497	no	1908	1987, partial renovation	29.10.2009	sole ownership
Zurich, Birmensdorferstrasse 20/ Grüngasse 2, sold								
Zurich, Freischützgasse 14, sold								
Zurich, Höggerstrasse 40/ Röschibachstrasse 22	1 950	29.2	2 571	yes, no action required	1986		01.07.1999	sole ownership
Zurich, Nansenstrasse 5/7	45	0.8	1 740	no	1985		29.10.2009	sole ownership

\* The register of polluted sites contains suspected but not identified contamination sites, but does not claim to be comprehensive. The Company refrains from purchasing identified or suspected contamination sites, or factors the corresponding costs into its price calculation. However, it cannot be ruled out that latent sources of contamination unknown at the time of purchase may manifest themselves at a later date.

## FIGURES FROM THE BALANCE SHEET AND INCOME STATEMENT AS AT 31.12.2010

City, address	Acquisition costs* (before depreciation)	Fair value (source: W&P)	Target rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents 01.01.–31.12.2010	Net rental income including land lease income 01.01.–31.12.2010	Losses due to vacancies and unpaid rents %
<b>Mixed properties</b>						
Zurich, Querstrasse 6	731 697.00	3 375 000.00	162 315.00	0.00	162 315.00	0.0
Zurich, Schulstrasse 34, 36	7 382 900.00	9 675 000.00	543 286.40	0.00	543 286.40	0.0
Zurich, Stauffacherstrasse 94, 96/ Molkenstrasse 15, 17	16 150 000.00	22 830 000.00	1 409 012.60	2 925.00	1 406 087.60	0.2
<b>Total II</b>	<b>246 303 529.00</b>	<b>314 306 000.00</b>	<b>20 747 880.11</b>	<b>1 012 647.12</b>	<b>19 735 232.99</b>	<b>4.9</b>
<b>Building land</b>						
Basel, Hochbergerstrasse 60/ car park	3 050 000.00	3 160 000.00	125 458.75	0.00	125 458.75	0.0
Dietikon, Bodacher	70 001.00	0.00	13 999.85	0.00	13 999.85	0.0
Dietikon, Bodacher/Im Maienweg	2 564 923.00	1 795 000.00	1 050.00	0.00	1 050.00	0.0
Dietikon, Bodacher/Ziegelälgerten	1 508 972.00	1 615 000.00	0.00	0.00	0.00	0.0
Geneva Airport, Route de Pré-Bois	5 535 622.42	6 720 000.00	0.00	0.00	0.00	0.0
Geneva Airport, Route de Pré-Bois 10/ underground car park	5 029 000.00	6 158 000.00	76 022.35	0.00	76 022.35	0.0
Goldach, St. Gallerstrasse, sold	0.00	0.00	0.00	0.00	0.00	0.0
Losone, Via Locarno/Via Truscio	1 403 328.70	895 000.00	0.00	0.00	0.00	0.0
Mägenwil, Birrfeldstrasse/ allotment north	3 428 000.00	2 670 000.00	0.00	0.00	0.00	0.0
Niederwangen near Berne, Riedmoosstrasse 10	604 000.00	2 358 000.00	40.15	0.00	40.15	0.0
Oberbüren, Buchental/car park	694 112.00	599 600.00	29 172.84	0.00	29 172.84	0.0
Plan-les-Ouates, Chemin des Aulx	11 982 921.71	12 080 000.00	0.00	0.00	0.00	0.0
Pratteln, Salinenstrasse 54/ Grüssen II, sold	0.00	0.00	41 540.20	460.80	41 079.40	1.1
Rothrist, Neue Aarburgerstrasse 2, sold	0.00	0.00	4 500.00	0.00	4 500.00	0.0
Spreitenbach, Joosacker 7	1.00	0.00	52 876.90	0.00	52 876.90	0.0
Vich, Chemin de la Bichette, sold	0.00	0.00	0.00	0.00	0.00	0.0
Wangen near Olten, Rickenbacherfeld	1 385 942.40	1 487 000.00	0.00	0.00	0.00	0.0
<b>Total III</b>	<b>37 256 824.23</b>	<b>39 537 600.00</b>	<b>344 661.04</b>	<b>460.80</b>	<b>344 200.24</b>	<b>0.1</b>
<b>Properties under construction and development sites</b>						
Basel, Hochbergerstrasse 60/ Business Park 60A–E	88 408 000.00	96 630 000.00	3 141 026.15	0.00	3 141 026.15	0.0
Zurich, Hardstrasse/Maaghof	20 583 300.00	20 600 000.00	0.00	0.00	0.00	0.0
Zurich, Hardstrasse 221/Prime Tower	293 255 926.00	332 630 000.00	0.00	0.00	0.00	0.0
Zurich, Hardstrasse/Platform	81 439 000.00	108 210 000.00	126 947.59	700.05	126 247.54	0.6
<b>Total IV</b>	<b>483 686 226.00</b>	<b>558 070 000.00</b>	<b>3 267 973.74</b>	<b>700.05</b>	<b>3 267 273.69</b>	<b>0.0</b>
<b>Overall total</b>	<b>6 131 748 196.91</b>	<b>8 020 283 800.00</b>	<b>435 775 961.37</b>	<b>18 499 522.64</b>	<b>417 276 438.73</b>	<b>4.2</b>

\* All costs incurred by the purchase of the property (purchase price, legal fees, conveyancing costs, purchase commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, etc.) are recognised as acquisition costs.

## GENERAL PROPERTY DETAILS

City, address	Vacancies as at 31.12.2010 m² %		Site area m²	Register of polluted sites* (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Mixed properties								
Zurich, Querstrasse 6	0	0.0	280	no	1927	1990, total renovation	29.10.2009	sole ownership
Zurich, Schulstrasse 34, 36	0	0.0	697	no	1915	1995, total renovation	01.07.1999	sole ownership
Zurich, Stauffacherstrasse 94, 96/ Molkenstrasse 15, 17	0	0.0	1 501	no	1879/1956	1990, internal renovation	01.07.1999	sole ownership
Total II	2 116	4.1	25 980					
Building land								
Basel, Hochbergerstrasse 60/ car park	0	0.0	5 440	yes, no action required	2009		29.10.2009	sole ownership
Dietikon, Bodacher	0	0.0	13 615	yes			29.10.2009	sole ownership
Dietikon, Bodacher/Im Maienweg	0	0.0	4 249	no			29.10.2009	sole ownership
Dietikon, Bodacher/Ziegelägerten	0	0.0	3 825	yes			29.10.2009	sole ownership
Geneva Airport, Route de Pré-Bois	0	0.0	7 631	no			29.10.2009	sole ownership
Geneva Airport, Route de Pré-Bois 10/ underground car park	0	0.0	2 154	no	2003		29.10.2009	sole ownership land lease
Goldach, St. Gallerstrasse, sold								
Losone, Via Locarno/Via Truscio	0	0.0	1 380	no			29.10.2009	sole ownership
Mägenwil, Birrfeldstrasse/ allotment north	0	0.0	7 250	no			29.10.2009	sole ownership
Niederwangen near Berne, Riedmoosstrasse 10	0	0.0	5 895	register in preparation			29.10.2009	sole ownership
Oberbüren, Buchental/car park	0	0.0	1 825	no			29.10.2009	sole ownership
Plan-les-Ouates, Chemin des Aulx	0	0.0	28 429	no			29.10.2009	sole ownership
Pratteln, Salinenstrasse 54/ Grüssen II, sold								
Rothrist, Neue Aarburgerstrasse 2, sold								
Spreitenbach, Joosacker 7	0	0.0	16 405	yes			29.10.2009	sole ownership
Vich, Chemin de la Bichette, sold								
Wangen near Olten, Rickenbacherfeld	0	0.0	11 197	no			22.12.2003	sole ownership
Total III	0	0.0	109 295					
Properties under construction and development sites								
Basel, Hochbergerstrasse 60/ Business Park 60A–E	16 230	53.6	8 343	yes, no action required	2009–2011		29.10.2009	sole ownership
Zurich, Hardstrasse/Maaghof	0	0.0	11 199	yes, will be decontam- inated upon construction of new building	2012 ff.		n/a	sole ownership
Zurich, Hardstrasse 221/Prime Tower	0	0.0	10 416	yes, will be decontam- inated upon construction of new building	2008–2011		n/a	sole ownership
Zurich, Hardstrasse/Platform	0	0.0	5 942	yes, will be decontam- inated upon construction of new building	2009–2011		n/a	sole ownership
Total IV	16 230	53.6	35 900					
Overall total	98 966	6.9	1 275 278					

\* The register of polluted sites contains suspected but not identified contamination sites, but does not claim to be comprehensive. The Company refrains from purchasing identified or suspected contamination sites, or factors the corresponding costs into its price calculation. However, it cannot be ruled out that latent sources of contamination unknown at the time of purchase may manifest themselves at a later date.

## PROPERTY STRUCTURE PART 1, COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%
<b>Commercial properties without significant residential space</b>																		
Aarau, Bahnhofstrasse 23	4	1 258	60.8	2	255	12.3	0	0	0.0	4	556	26.9	0	0	0.0	10	2 069	100.0
Affoltern a.A., Obere Bahnhofstrasse 14	3	1 416	72.9	0	0	0.0	0	0	0.0	6	189	9.7	5	39	2.0	14	1 644	84.6
Allschwil, Hegenheimermattweg 91	0	0	0.0	24	13 150	68.6	0	0	0.0	10	1 859	9.7	23	4 173	21.8	57	19 182	100.0
Amriswil, Weinfelderstrasse 74	4	1 217	40.2	2	20	0.7	4	1 337	44.2	2	133	4.4	4	320	10.6	16	3 027	100.0
Baden, Bahnhofstrasse 2	5	909	95.3	0	0	0.0	0	0	0.0	1	45	4.7	0	0	0.0	6	954	100.0
Baden, Weite Gasse 34, 36	2	590	37.7	7	632	40.4	0	0	0.0	2	169	10.8	0	0	0.0	11	1 391	88.9
Basel, Aeschenvorstadt 2–4	6	800	12.7	7	3 997	63.6	0	0	0.0	14	1 487	23.7	0	0	0.0	27	6 284	100.0
Basel, Barfüsserplatz 3	5	2 048	53.0	4	1 045	27.0	0	0	0.0	3	768	19.9	4	3	0.1	16	3 864	100.0
Basel, Centralbahnplatz 9/10	2	122	8.5	7	544	38.1	4	302	21.1	5	168	11.8	17	139	9.7	35	1 275	89.2
Basel, Elisabethenstrasse 15	8	889	20.7	6	3 117	72.7	0	0	0.0	8	284	6.6	0	0	0.0	22	4 290	100.0
Basel, Freie Strasse 26/ Falknerstrasse 3	3	1 250	43.6	10	1 444	50.3	0	0	0.0	3	176	6.1	0	0	0.0	16	2 870	100.0
Basel, Freie Strasse 36	4	1 440	59.7	6	326	13.5	0	0	0.0	4	277	11.5	12	371	15.4	26	2 414	100.0
Basel, Freie Strasse 68	3	930	12.5	10	4 597	61.6	0	0	0.0	5	1 933	25.9	0	0	0.0	18	7 460	100.0
Basel, Henric Petri-Strasse 9/ Elisabethenstrasse 19	2	285	4.1	15	5 010	71.9	0	0	0.0	13	1 673	24.0	0	0	0.0	30	6 968	100.0
Basel, Hochbergerstrasse 40/ parking	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	2	0	0.0	2	0	0.0
Basel, Hochbergerstrasse 60/ building 805	0	0	0.0	5	1 117	23.4	0	0	0.0	1	500	10.5	7	3 158	66.1	13	4 775	100.0
Basel, Hochbergerstrasse 60/ building 860	0	0	0.0	4	754	82.9	0	0	0.0	4	124	13.6	2	32	3.5	10	910	100.0
Basel, Hochbergerstrasse 62/ petrol station	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	1	0	0.0	1	0	0.0
Basel, Hochbergerstrasse 70/ Stückli shopping centre	113	33 325	60.7	13	4 601	8.4	19	9 241	16.8	84	6 567	12.0	30	1 135	2.1	259	54 869	100.0
Basel, Messeplatz 12/Messeurm	2	165	0.7	26	13 306	55.2	14	9 818	40.7	9	772	3.2	5	40	0.2	56	24 101	100.0
Basel, Peter Merian-Strasse 80	0	0	0.0	15	6 944	76.2	0	0	0.0	10	1 340	14.7	9	825	9.1	34	9 109	100.0
Basel, Rebgrasse 20	6	4 357	47.5	6	1 019	11.1	2	1 262	13.8	25	2 378	25.9	9	161	1.8	48	9 177	100.0
Bellach, Gurzelenstrasse 2	1	212	14.2	1	55	3.7	0	0	0.0	0	0	0.0	7	1 135	75.8	9	1 402	93.7
Belp, Aemmenmattstrasse 43	0	0	0.0	13	6 505	70.7	2	373	4.1	17	1 471	16.0	28	853	9.3	60	9 202	100.0
Berne, Bahnhofplatz 9	6	1 090	67.5	0	0	0.0	0	0	0.0	4	526	32.5	1	0	0.0	11	1 616	100.0
Berne, Genfergasse 11, 14	1	654	4.1	7	13 428	85.0	0	0	0.0	2	103	0.7	1	1 616	10.2	11	15 801	100.0
Berne, Laupenstrasse 6	3	855	41.5	11	1 028	49.9	0	0	0.0	1	6	0.3	4	99	4.8	19	1 988	96.5
Berne, Mingerstrasse 12–18/ PostFinance Arena	2	118	0.3	2	8 294	17.9	1	30 699	66.3	1	7 175	15.5	0	0	0.0	6	46 286	100.0
Berne, Schwarztorstrasse 48	0	0	0.0	7	6 015	71.0	0	0	0.0	3	2 255	26.6	2	197	2.3	12	8 467	100.0
Berne, Weltpoststrasse 5	0	0	0.0	9	16 003	66.7	1	1 050	4.4	4	6 955	29.0	0	0	0.0	14	24 008	100.0
Biel, Solothurnstrasse 122	7	2 482	75.0	3	90	2.7	0	0	0.0	9	505	15.3	3	49	1.5	22	3 126	94.5
Brugg, Hauptstrasse 2	12	3 116	71.5	4	255	5.8	2	147	3.4	9	704	16.1	14	139	3.2	41	4 361	100.0
Buchs, St. Gallerstrasse 5	1	236	13.2	5	1 072	60.1	0	0	0.0	2	326	18.3	1	15	0.8	9	1 649	92.4
Burgdorf, Emmentalstrasse 14	2	953	46.2	4	896	43.5	0	0	0.0	3	177	8.6	1	35	1.7	10	2 061	100.0
Burgdorf, Industry Buchmatt	2	351	2.9	16	638	5.3	0	0	0.0	3	10 688	89.4	7	279	2.3	28	11 956	100.0
Carouge, Avenue Cardinal- Mermillod 36–44	20	8 296	23.7	91	20 022	57.2	2	283	0.8	48	5 216	14.9	16	1 198	3.4	177	35 015	100.0
Cham, Dorfplatz 2	1	122	11.4	8	656	61.5	0	0	0.0	4	289	27.1	0	0	0.0	13	1 067	100.0
Conthey, Route Cantonale 2	9	1 771	71.6	7	113	4.6	0	0	0.0	3	490	19.8	3	98	4.0	22	2 472	100.0
Conthey, Route Cantonale 4	9	4 342	86.3	0	0	0.0	1	149	3.0	3	302	6.0	7	236	4.7	20	5 029	100.0
Conthey, Route Cantonale 11	6	5 270	72.1	10	552	7.6	1	51	0.7	12	1 162	15.9	4	143	2.0	33	7 178	98.2
Dättwil, Mellingerstrasse 208, sold																		
Dietikon, Bahnhofplatz 11	1	347	19.2	7	1 001	55.2	0	0	0.0	2	464	25.6	0	0	0.0	10	1 812	100.0

## PROPERTY STRUCTURE PART 2, RESIDENTIAL PROPERTIES

									Summary	
City, address	1–1½ rooms no.	2–2½ rooms no.	3–3½ rooms no.	4–4½ rooms no.	5 or more rooms no.	no.	Total apartments m²	%	Total rented properties, commercial and residential, excl. parking no.	m²
Commercial properties without significant residential space										
Aarau, Bahnhofstrasse 23	0	0	0	0	0	0	0	0.0	10	2 069
Affoltern a.A., Obere Bahnhofstrasse 14	0	1	2	1	0	4	299	15.4	18	1 943
Allschwil, Hegenheimermattweg 91	0	0	0	0	0	0	0	0.0	57	19 182
Amriswil, Weinfelderstrasse 74	0	0	0	0	0	0	0	0.0	16	3 027
Baden, Bahnhofstrasse 2	0	0	0	0	0	0	0	0.0	6	954
Baden, Weite Gasse 34, 36	0	0	2	0	0	2	174	11.1	13	1 565
Basel, Aeschenvorstadt 2–4	0	0	0	0	0	0	0	0.0	27	6 284
Basel, Barfüsserplatz 3	0	0	0	0	0	0	0	0.0	16	3 864
Basel, Centralbahnplatz 9/10	0	0	1	0	0	1	154	10.8	36	1 429
Basel, Elisabethenstrasse 15	0	0	0	0	0	0	0	0.0	22	4 290
Basel, Freie Strasse 26/ Falknerstrasse 3	0	0	0	0	0	0	0	0.0	16	2 870
Basel, Freie Strasse 36	0	0	0	0	0	0	0	0.0	26	2 414
Basel, Freie Strasse 68	0	0	0	0	0	0	0	0.0	18	7 460
Basel, Henric Petri-Strasse 9/ Elisabethenstrasse 19	0	0	0	0	0	0	0	0.0	30	6 968
Basel, Hochbergerstrasse 40/ parking	0	0	0	0	0	0	0	0.0	2	0
Basel, Hochbergerstrasse 60/ building 805	0	0	0	0	0	0	0	0.0	13	4 775
Basel, Hochbergerstrasse 60/ building 860	0	0	0	0	0	0	0	0.0	10	910
Basel, Hochbergerstrasse 62/ petrol station	0	0	0	0	0	0	0	0.0	1	0
Basel, Hochbergerstrasse 70/ Stückli shopping centre	0	0	0	0	0	0	0	0.0	259	54 869
Basel, Messeplatz 12/Meseturm	0	0	0	0	0	0	0	0.0	56	24 101
Basel, Peter Merian-Strasse 80	0	0	0	0	0	0	0	0.0	34	9 109
Basel, Rebgrasse 20	0	0	0	0	0	0	0	0.0	48	9 177
Bellach, Gurzelenstrasse 2	0	0	0	1	0	1	95	6.3	10	1 497
Belp, Aemmenmattstrasse 43	0	0	0	0	0	0	0	0.0	60	9 202
Berne, Bahnhofplatz 9	0	0	0	0	0	0	0	0.0	11	1 616
Berne, Genfergasse 11, 14	0	0	0	0	0	0	0	0.0	11	15 801
Berne, Laupenstrasse 6	1	0	0	0	0	1	73	3.5	20	2 061
Berne, Mingerstrasse 12–18/ PostFinance Arena	0	0	0	0	0	0	0	0.0	6	46 286
Berne, Schwarztorstrasse 48	0	0	0	0	0	0	0	0.0	12	8 467
Berne, Weltpoststrasse 5	0	0	0	0	0	0	0	0.0	14	24 008
Biel, Solothurnstrasse 122	0	0	0	0	1	1	182	5.5	23	3 308
Brugg, Hauptstrasse 2	0	0	0	0	0	0	0	0.0	41	4 361
Buchs, St. Gallerstrasse 5	0	0	1	0	0	1	135	7.6	10	1 784
Burgdorf, Emmentalstrasse 14	0	0	0	0	0	0	0	0.0	10	2 061
Burgdorf, Industry Buchmatt	0	0	0	0	0	0	0	0.0	28	11 956
Carouge, Avenue Cardinal- Mermillod 36–44	0	0	0	0	0	0	0	0.0	177	35 015
Cham, Dorfplatz 2	0	0	0	0	0	0	0	0.0	13	1 067
Conthey, Route Cantonale 2	0	0	0	0	0	0	0	0.0	22	2 472
Conthey, Route Cantonale 4	0	0	0	0	0	0	0	0.0	20	5 029
Conthey, Route Cantonale 11	0	0	0	1	0	1	129	1.8	34	7 307
Dättwil, Mellingerstrasse 208, sold										
Dietikon, Bahnhofplatz 11	0	0	0	0	0	0	0	0.0	10	1 812

## PROPERTY STRUCTURE PART 1, COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%
<b>Commercial properties without significant residential space</b>																		
Dietikon, Kirchstrasse 20	6	445	23.5	5	1 232	65.0	0	0	0.0	6	217	11.5	0	0	0.0	17	1 894	100.0
Dietikon, Zentralstrasse 12	2	1 335	41.0	7	199	6.1	0	0	0.0	9	1 517	46.5	5	208	6.4	23	3 259	100.0
Dübendorf, Bahnhofstrasse 1	2	296	17.7	3	990	59.2	0	0	0.0	6	385	23.0	0	0	0.0	11	1 671	100.0
Eyholz, Kantonsstrasse 79	4	1 216	92.6	4	72	5.5	0	0	0.0	0	0	0.0	4	25	1.9	12	1 313	100.0
Frauenfeld, Zürcherstrasse 305	5	2 358	54.8	6	800	18.6	0	0	0.0	5	779	18.1	7	111	2.6	23	4 048	94.0
Frick, Hauptstrasse 21, sold																		
Frick, Hauptstrasse 132/ Fricktal-Centre A3	11	3 296	66.3	1	392	7.9	1	157	3.2	9	809	16.3	8	315	6.3	30	4 969	100.0
Füllinsdorf, Schneckelerstrasse 1	9	2 495	58.1	3	587	13.7	0	0	0.0	10	916	21.3	7	299	7.0	29	4 297	100.0
Geneva, Centre Rhône-Fusterie	4	8 527	76.2	1	29	0.3	0	0	0.0	2	2 630	23.5	0	0	0.0	7	11 186	100.0
Geneva, Place Cornavin 10	2	485	17.6	13	303	11.0	13	1 678	60.8	5	178	6.4	7	118	4.3	40	2 762	100.0
Geneva, Place du Molard 2–4	12	2 536	35.4	21	4 034	56.4	1	154	2.2	5	264	3.7	7	170	2.4	46	7 158	100.0
Geneva, Route de Meyrin 49	0	0	0.0	23	8 247	80.9	1	524	5.1	12	1 344	13.2	7	0	0.0	43	10 115	99.2
Geneva, Rue Céard 14/Croix-d'Or 11	5	1 107	66.0	0	0	0.0	0	0	0.0	4	570	34.0	0	0	0.0	9	1 677	100.0
Geneva, Rue de Rive 3	7	971	51.4	6	529	28.0	2	177	9.4	4	150	7.9	6	62	3.3	25	1 889	100.0
Geneva, Rue du Rhône 48–50	12	14 789	44.3	43	11 131	33.4	2	2 394	7.2	22	3 015	9.0	23	2 036	6.1	102	33 365	100.0
Geneva Airport, Route de Pré-Bois 16, sold																		
Giubiasco, Via Campagna 1, sold																		
Glattbrugg, Schaffhauserstrasse 59	1	216	13.1	5	931	56.5	0	0	0.0	2	502	30.4	0	0	0.0	8	1 649	100.0
Gossau, Wilerstrasse 82	7	3 632	78.1	5	96	2.1	0	0	0.0	3	498	10.7	10	423	9.1	25	4 649	100.0
Grand-Lancy, Route des Jeunes 10	2	426	3.3	17	4 826	37.5	8	5 471	42.5	18	1 886	14.7	9	263	2.0	54	12 872	100.0
Grand-Lancy, Route des Jeunes 12/ CCL La Prairie	57	18 678	56.0	2	311	0.9	10	4 327	13.0	42	5 921	17.8	57	4 107	12.3	168	33 344	100.0
Granges-Paccot, Route d'Agy 3	2	388	39.2	5	42	4.2	0	0	0.0	2	436	44.0	5	124	12.5	14	990	100.0
Heimberg, Gurnigelstrasse 38	3	1 289	83.9	5	41	2.7	0	0	0.0	3	106	6.9	4	101	6.6	15	1 537	100.0
Holderbank, Hauptstrasse 43	0	0	0.0	3	66	8.8	1	209	27.8	2	91	12.1	11	320	42.6	17	686	91.2
Horgen, Zugerstrasse 22, 24	1	264	11.0	14	1 820	75.6	0	0	0.0	2	324	13.5	0	0	0.0	17	2 408	100.0
Interlaken, Rosenstrasse 9	1	240	100.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	1	240	100.0
Jona, Grünfeldstrasse 25	0	0	0.0	2	1 887	15.0	0	0	0.0	6	2 992	23.8	4	7 691	61.2	12	12 570	100.0
Klus-Balsthal, Wengimattstrasse 1/ Solothurnerstrasse	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	1	0	0.0	1	0	0.0
La Chaux-de-Fonds, Boulevard des Eplatures 44	7	2 370	94.8	5	41	1.6	0	0	0.0	2	74	3.0	2	14	0.6	16	2 499	100.0
Lachen, Seidenstrasse 2	1	213	13.9	6	1 035	67.6	0	0	0.0	2	284	18.5	0	0	0.0	9	1 532	100.0
Lausanne, Avenue de Chailly 1	2	408	37.7	5	464	42.9	0	0	0.0	1	115	10.6	1	0	0.0	9	987	91.2
Lausanne, Rue de Sébeillon 9/ Sébeillon Centre	2	851	8.4	30	5 696	56.5	0	0	0.0	26	2 483	24.6	13	1 058	10.5	71	10 088	100.0
Lausanne, Rue du Pont 5	10	10 516	50.7	46	4 821	23.2	1	1 910	9.2	16	2 089	10.1	20	1 426	6.9	93	20 762	100.0
Locarno, Largo Zorzi 4/Piazza Grande	5	4 103	61.5	8	934	14.0	2	110	1.6	7	680	10.2	14	354	5.3	36	6 181	92.7
Locarno, Parking Centro	0	0	0.0	0	0	0.0	0	0	0.0	5	47	100.0	5	0	0.0	10	47	100.0
Locarno, Via delle Monache 8	0	0	0.0	0	0	0.0	0	0	0.0	2	239	93.7	1	16	6.3	3	255	100.0
Lutry, Route de l'Ancienne-Ciblerie 2	8	2 341	72.7	1	89	2.8	2	147	4.6	5	476	14.8	10	168	5.2	26	3 221	100.0
Lucerne, Geissensteinring 45/ Tribtschenstrasse 60, sold																		
Lucerne, Pilatusstrasse 4/Flora	9	6 866	69.6	16	1 195	12.1	0	0	0.0	8	946	9.6	11	863	8.7	44	9 870	100.0
Lucerne, Schwanenplatz 3	1	163	10.8	5	946	62.6	0	0	0.0	3	283	18.7	1	8	0.5	10	1 400	92.6
Lucerne, Tribtschenstrasse 54, sold																		
Lucerne, Tribtschenstrasse 56, 60, sold																		
Lucerne, Weggisgasse 20, 22	5	987	76.8	0	0	0.0	0	0	0.0	2	298	23.2	0	0	0.0	7	1 285	100.0

## PROPERTY STRUCTURE PART 2, RESIDENTIAL PROPERTIES

									Summary	
City, address	1–1½ rooms no.	2–2½ rooms no.	3–3½ rooms no.	4–4½ rooms no.	5 or more rooms no.	no.	Total apartments m²	%	Total rented properties, commercial and residential, excl. parking no.	m²
Commercial properties without significant residential space										
Dietikon, Kirchstrasse 20	0	0	0	0	0	0	0	0.0	17	1 894
Dietikon, Zentralstrasse 12	0	0	0	0	0	0	0	0.0	23	3 259
Dübendorf, Bahnhofstrasse 1	0	0	0	0	0	0	0	0.0	11	1 671
Eyholz, Kantonsstrasse 79	0	0	0	0	0	0	0	0.0	12	1 313
Frauenfeld, Zürcherstrasse 305	0	0	1	1	0	2	258	6.0	25	4 306
Frick, Hauptstrasse 21, sold										
Frick, Hauptstrasse 132/ Fricktal-Centre A3	0	0	0	0	0	0	0	0.0	30	4 969
Füllinsdorf, Schneckelerstrasse 1	0	0	0	0	0	0	0	0.0	29	4 297
Geneva, Centre Rhône-Fusterie	0	0	0	0	0	0	0	0.0	7	11 186
Geneva, Place Cornavin 10	0	0	0	0	0	0	0	0.0	40	2 762
Geneva, Place du Molard 2–4	0	0	0	0	0	0	0	0.0	46	7 158
Geneva, Route de Meyrin 49	0	0	0	0	1	1	83	0.8	44	10 198
Geneva, Rue Céard 14/Croix-d'Or 11	0	0	0	0	0	0	0	0.0	9	1 677
Geneva, Rue de Rive 3	0	0	0	0	0	0	0	0.0	25	1 889
Geneva, Rue du Rhône 48–50	0	0	0	0	0	0	0	0.0	102	33 365
Geneva Airport, Route de Pré-Bois 16, sold										
Giubiasco, Via Campagna 1, sold										
Glattbrugg, Schaffhauserstrasse 59	0	0	0	0	0	0	0	0.0	8	1 649
Gossau, Wilerstrasse 82	0	0	0	0	0	0	0	0.0	25	4 649
Grand-Lancy, Route des Jeunes 10	0	0	0	0	0	0	0	0.0	54	12 872
Grand-Lancy, Route des Jeunes 12/ CCL La Praille	0	0	0	0	0	0	0	0.0	168	33 344
Granges-Paccot, Route d'Agy 3	0	0	0	0	0	0	0	0.0	14	990
Heimberg, Gurnigelstrasse 38	0	0	0	0	0	0	0	0.0	15	1 537
Holderbank, Hauptstrasse 43	0	1	0	0	0	1	66	8.8	18	752
Horgen, Zugerstrasse 22, 24	0	0	0	0	0	0	0	0.0	17	2 408
Interlaken, Rosenstrasse 9	0	0	0	0	0	0	0	0.0	1	240
Jona, Grünfeldstrasse 25	0	0	0	0	0	0	0	0.0	12	12 570
Klus-Balsthal, Wengimattstrasse 1/ Solothurnerstrasse	0	0	0	0	0	0	0	0.0	1	0
La Chaux-de-Fonds, Boulevard des Eplatures 44	0	0	0	0	0	0	0	0.0	16	2 499
Lachen, Seidenstrasse 2	0	0	0	0	0	0	0	0.0	9	1 532
Lausanne, Avenue de Chailly 1	0	0	0	1	0	1	95	8.8	10	1 082
Lausanne, Rue de Sébeillon 9/ Sébeillon Centre	0	0	0	0	0	0	0	0.0	71	10 088
Lausanne, Rue du Pont 5	0	0	0	0	0	0	0	0.0	93	20 762
Locarno, Largo Zorzi 4/Piazza Grande	0	0	5	1	0	6	487	7.3	42	6 668
Locarno, Parking Centro	0	0	0	0	0	0	0	0.0	10	47
Locarno, Via delle Monache 8	0	0	0	0	0	0	0	0.0	3	255
Lutry, Route de l'Ancienne-Ciblerie 2	0	0	0	0	0	0	0	0.0	26	3 221
Lucerne, Geissensteinring 45/ Tribtschenstrasse 60, sold										
Lucerne, Pilatusstrasse 4/Flora	0	0	0	0	0	0	0	0.0	44	9 870
Lucerne, Schwanenplatz 3	0	0	0	1	0	1	112	7.4	11	1 512
Lucerne, Tribtschenstrasse 54, sold										
Lucerne, Tribtschenstrasse 56, 60, sold										
Lucerne, Weggisgasse 20, 22	0	0	0	0	0	0	0	0.0	7	1 285

## PROPERTY STRUCTURE PART 1, COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%
<b>Commercial properties without significant residential space</b>																		
<b>Lucerne</b> , Weinberglistrasse 4/ Tribtschenstrasse 62	2	262	2.3	43	8 722	77.6	1	532	4.7	17	773	6.9	22	950	8.5	85	11 239	100.0
<b>Mägenwil</b> , Weststrasse 6/ Birrfeldstrasse south	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	2	0	0.0	2	0	0.0
<b>Meyrin</b> , Route de Meyrin 210	1	732	65.9	4	73	6.6	0	0	0.0	1	175	15.8	4	130	11.7	10	1 110	100.0
<b>Montreux</b> , Avenue du Casino 51, sold																		
<b>Moosseedorf</b> , Moosstrasse 23	4	1 345	88.4	0	0	0.0	0	0	0.0	2	177	11.6	0	0	0.0	6	1 522	100.0
<b>Neuchâtel</b> , Avenue J.-J. Rousseau 7	0	0	0.0	19	2 196	70.3	0	0	0.0	9	693	22.2	1	236	7.6	29	3 125	100.0
<b>Neuchâtel</b> , Rue de l'Ecluse 19/parking	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
<b>Neuchâtel</b> , Rue du Temple-Neuf 11	4	209	18.3	9	646	56.6	0	0	0.0	9	158	13.8	7	33	2.9	29	1 046	91.7
<b>Neuchâtel</b> , Rue du Temple-Neuf 14	7	5 383	56.7	21	1 363	14.4	0	0	0.0	9	1 914	20.2	15	836	8.8	52	9 496	100.0
<b>Niederwangen near Berne</b> , Riedmoosstrasse 10	10	4 280	33.2	9	1 690	13.1	0	0	0.0	21	5 888	45.7	10	962	7.5	50	12 820	99.5
<b>Oberbüren</b> , Buchental 2	2	2 225	34.3	5	114	1.8	0	0	0.0	7	4 042	62.4	5	98	1.5	19	6 479	100.0
<b>Oberbüren</b> , Buchental 3	1	470	20.1	5	759	32.5	0	0	0.0	6	750	32.1	3	121	5.2	15	2 100	90.0
<b>Oberbüren</b> , Buchental 3a	0	0	0.0	0	0	0.0	0	0	0.0	9	2 461	100.0	1	0	0.0	10	2 461	100.0
<b>Oberbüren</b> , Buchental 4	16	3 669	38.5	2	1 935	20.3	0	0	0.0	5	3 932	41.2	1	0	0.0	24	9 536	100.0
<b>Oberbüren</b> , Haslen 3/ logistics centre Haslen	0	0	0.0	3	840	3.0	0	0	0.0	15	23 778	86.0	4	3 031	11.0	22	27 649	100.0
<b>Oberwil</b> , Mühlemattstrasse 23	3	1 044	63.5	5	68	4.1	0	0	0.0	5	475	28.9	6	58	3.5	19	1 645	100.0
<b>Oftingen</b> , Spitalweidstrasse 1/ shopping centre a1	43	15 717	78.4	4	650	3.2	3	329	1.6	20	2 641	13.2	14	720	3.6	84	20 057	100.0
<b>Olten</b> , Bahnhofquai 18	0	0	0.0	10	4 803	93.6	0	0	0.0	2	331	6.4	0	0	0.0	12	5 134	100.0
<b>Olten</b> , Bahnhofquai 20	0	0	0.0	12	6 294	85.4	0	0	0.0	4	1 072	14.6	0	0	0.0	16	7 366	100.0
<b>Olten</b> , Baslerstrasse 37/ Ringstrasse 1, sold																		
<b>Olten</b> , Frobürgstrasse 1	0	0	0.0	5	936	81.2	0	0	0.0	4	217	18.8	18	0	0.0	27	1 153	100.0
<b>Olten</b> , Frobürgstrasse 15	0	0	0.0	7	1 657	88.0	0	0	0.0	7	225	12.0	1	0	0.0	15	1 882	100.0
<b>Olten</b> , Solothurnerstrasse 201	1	991	62.3	0	0	0.0	0	0	0.0	2	501	31.5	2	98	6.2	5	1 590	100.0
<b>Olten</b> , Solothurnerstrasse 231/Usego	6	1 800	15.9	56	7 878	69.6	0	0	0.0	24	503	4.4	12	1 133	10.0	98	11 314	100.0
<b>Otelfingen</b> , Industriestrasse 19/21	0	0	0.0	55	16 334	19.6	0	0	0.0	66	63 160	75.9	33	3 552	4.3	154	83 046	99.7
<b>Otelfingen</b> , Industriestrasse 31	0	0	0.0	24	3 990	34.7	0	0	0.0	13	6 617	57.6	14	881	7.7	51	11 488	100.0
<b>Payerne</b> , Route de Bussy 2	1	5 054	84.1	4	259	4.3	0	0	0.0	1	429	7.1	5	269	4.5	11	6 011	100.0
<b>Petit-Lancy</b> , Route de Chancy 59	0	0	0.0	20	15 397	69.4	1	1 237	5.6	10	4 818	21.7	19	728	3.3	50	22 180	100.0
<b>Porrentruy</b> , Rue Pierre-Péquignat 7, sold																		
<b>Rapperswil</b> , Rathausstrasse 8	4	743	23.6	6	1 591	50.6	0	0	0.0	12	809	25.7	1	0	0.0	23	3 143	100.0
<b>Romanel</b> , Chemin du Marais 8	11	5 991	88.4	1	13	0.2	0	0	0.0	7	704	10.4	3	70	1.0	22	6 778	100.0
<b>Romanshorn</b> , Alleestrasse 27	2	490	70.0	1	109	15.6	0	0	0.0	2	101	14.4	0	0	0.0	5	700	100.0
<b>Rümlang</b> , Hofwisenstrasse 50	0	0	0.0	8	10 186	94.0	0	0	0.0	2	650	6.0	0	0	0.0	10	10 836	100.0
<b>Schattdorf</b> , Umfahungsstrasse 2	2	409	98.1	0	0	0.0	0	0	0.0	0	0	0.0	1	8	1.9	3	417	100.0
<b>Schwyz</b> , Oberer Steisteg 18, 20	2	231	8.6	11	1 559	58.3	0	0	0.0	12	870	32.6	1	12	0.4	26	2 672	100.0
<b>Sion</b> , Avenue de Tourbillon 47, sold																		
<b>Solothurn</b> , Amthausplatz 1	2	602	17.9	7	1 942	57.9	0	0	0.0	3	811	24.2	0	0	0.0	12	3 355	100.0
<b>Solothurn</b> , Lagerhausstrasse 1	3	471	11.8	29	2 939	73.4	0	0	0.0	5	352	8.8	2	0	0.0	39	3 762	94.0
<b>Spreitenbach</b> , Fegistrasse 14–22	0	0	0.0	5	382	1.9	1	640	3.2	10	8 496	43.0	14	10 069	50.9	30	19 587	99.1
<b>Spreitenbach</b> , Industriestrasse/Tivoli	1	881	87.6	0	0	0.0	0	0	0.0	1	125	12.4	0	0	0.0	2	1 006	100.0
<b>Spreitenbach</b> , Müslistrasse 44	0	0	0.0	1	35	6.8	1	156	30.5	1	20	3.9	5	301	58.8	8	512	100.0
<b>Spreitenbach</b> , Pfadackerstrasse 6/ Limmatpark	7	15 517	56.7	14	7 695	28.1	0	0	0.0	4	3 975	14.5	3	0	0.0	28	27 187	99.3
<b>St. Gallen</b> , Spisergasse 12	2	195	31.6	1	109	17.7	0	0	0.0	2	149	24.1	0	0	0.0	5	453	73.4

## PROPERTY STRUCTURE PART 2, RESIDENTIAL PROPERTIES

									Summary	
	1–1½ rooms no.	2–2½ rooms no.	3–3½ rooms no.	4–4½ rooms no.	5 or more rooms no.				Total rented properties, commercial and residential, excl. parking	
City, address						no.	Total apartments m²	%	no.	m²
Commercial properties without significant residential space										
Lucerne, Weinberglistrasse 4/ Tribtschenstrasse 62	0	0	0	0	0	0	0	0.0	85	11 239
Mägenwil, Weststrasse 6/ Birrfeldstrasse south	0	0	0	0	0	0	0	0.0	2	0
Meyrin, Route de Meyrin 210	0	0	0	0	0	0	0	0.0	10	1 110
Montreux, Avenue du Casino 51, sold										
Moosseedorf, Moosstrasse 23	0	0	0	0	0	0	0	0.0	6	1 522
Neuchâtel, Avenue J.-J. Rousseau 7	0	0	0	0	0	0	0	0.0	29	3 125
Neuchâtel, Rue de l'Ecluse 19/parking	0	0	0	0	0	0	0	0.0	0	0
Neuchâtel, Rue du Temple-Neuf 11	0	0	1	0	0	1	95	8.3	30	1 141
Neuchâtel, Rue du Temple-Neuf 14	0	0	0	0	0	0	0	0.0	52	9 496
Niederwangen near Berne, Riedmoosstrasse 10	0	1	0	0	0	1	60	0.5	51	12 880
Oberbüren, Buchental 2	0	0	0	0	0	0	0	0.0	19	6 479
Oberbüren, Buchental 3	0	0	0	2	0	2	233	10.0	17	2 333
Oberbüren, Buchental 3a	0	0	0	0	0	0	0	0.0	10	2 461
Oberbüren, Buchental 4	0	0	0	0	0	0	0	0.0	24	9 536
Oberbüren, Haslen 3/ logistics centre Haslen	0	0	0	0	0	0	0	0.0	22	27 649
Oberwil, Mühlemattstrasse 23	0	0	0	0	0	0	0	0.0	19	1 645
Oftringen, Spitalweidstrasse 1/ shopping centre a1	0	0	0	0	0	0	0	0.0	84	20 057
Olten, Bahnhofquai 18	0	0	0	0	0	0	0	0.0	12	5 134
Olten, Bahnhofquai 20	0	0	0	0	0	0	0	0.0	16	7 366
Olten, Baslerstrasse 37/ Ringstrasse 1, sold										
Olten, Frobürgstrasse 1	0	0	0	0	0	0	0	0.0	27	1 153
Olten, Frobürgstrasse 15	0	0	0	0	0	0	0	0.0	15	1 882
Olten, Solothurnerstrasse 201	0	0	0	0	0	0	0	0.0	5	1 590
Olten, Solothurnerstrasse 231/Usego	0	0	0	0	0	0	0	0.0	98	11 314
Otelfingen, Industriestrasse 19/21	0	0	1	1	0	2	212	0.3	156	83 258
Otelfingen, Industriestrasse 31	0	0	0	0	0	0	0	0.0	51	11 488
Payerne, Route de Bussy 2	0	0	0	0	0	0	0	0.0	11	6 011
Petit-Lancy, Route de Chancy 59	0	0	0	0	0	0	0	0.0	50	22 180
Porrentruy, Rue Pierre-Péquignat 7, sold										
Rapperswil, Rathausstrasse 8	0	0	0	0	0	0	0	0.0	23	3 143
Romanel, Chemin du Marais 8	0	0	0	0	0	0	0	0.0	22	6 778
Romanshorn, Alleestrasse 27	0	0	0	0	0	0	0	0.0	5	700
Rümlang, Hofwisenstrasse 50	0	0	0	0	0	0	0	0.0	10	10 836
Schattdorf, Umfahrungsstrasse 2	0	0	0	0	0	0	0	0.0	3	417
Schwyz, Oberer Steig 18, 20	0	0	0	0	0	0	0	0.0	26	2 672
Sion, Avenue de Tourbillon 47, sold										
Solothurn, Amthausplatz 1	0	0	0	0	0	0	0	0.0	12	3 355
Solothurn, Lagerhausstrasse 1	2	0	0	0	0	2	242	6.0	41	4 004
Spreitenbach, Fegistrasse 14–22	0	0	0	0	1	1	177	0.9	31	19 764
Spreitenbach, Industriestrasse/Tivoli	0	0	0	0	0	0	0	0.0	2	1 006
Spreitenbach, Müslistrasse 44	0	0	0	0	0	0	0	0.0	8	512
Spreitenbach, Pfadackerstrasse 6/ Limmatpark	0	1	0	1	0	2	184	0.7	30	27 371
St. Gallen, Spisergasse 12	0	1	0	1	0	2	164	26.6	7	617

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%
Commercial properties without significant residential space																		
St. Gallen, Vadianstrasse 25	1	467	32.3	2	515	35.6	0	0	0.0	6	439	30.4	2	25	1.7	11	1 446	100.0
St. Gallen, Zürcherstrasse 462–464/ Shopping Arena	52	22 925	57.6	10	3 885	9.8	6	1 474	3.7	46	7 738	19.4	19	3 788	9.5	133	39 810	100.0
Sursee, Moosgasse 20	7	1 859	77.3	0	0	0.0	1	164	6.8	5	381	15.8	0	0	0.0	13	2 404	100.0
Thalwil, Gotthardstrasse 40	1	90	9.1	7	570	57.8	2	130	13.2	4	196	19.9	1	0	0.0	15	986	100.0
Thun, Bälliz 67	4	1 027	32.4	16	1 625	51.2	1	65	2.0	5	338	10.7	1	0	0.0	27	3 055	96.3
Uster, Poststrasse 10	1	245	17.1	4	877	61.3	0	0	0.0	2	309	21.6	1	0	0.0	8	1 431	100.0
Uster, Poststrasse 14/20	4	2 022	63.6	4	372	11.7	1	120	3.8	18	612	19.3	5	51	1.6	32	3 177	100.0
Vernier, Chemin de l'Etang 72/ Patio Plaza	0	0	0.0	15	10 657	77.9	0	0	0.0	15	2 044	14.9	14	972	7.1	44	13 673	100.0
Vevey, Rue de la Clergère 1	1	479	15.5	13	2 235	72.5	0	0	0.0	1	370	12.0	0	0	0.0	15	3 084	100.0
Villars-sur-Glâne, Route du Petit-Moncor 1, 1a, 1b, sold																		
Volketswil, shopping centre Volkiland	42	29 879	85.9	4	784	2.3	4	1 292	3.7	19	2 693	7.7	8	116	0.3	77	34 764	100.0
Volketswil, Grabenwis-Strasse 1, 3, 5	2	5 398	43.5	8	4 271	34.5	1	1 343	10.8	14	1 218	9.8	6	166	1.3	31	12 396	100.0
Wangen near Olten, Dorfstrasse 11, 13	0	0	0.0	5	1 054	13.0	0	0	0.0	25	7 056	87.0	6	0	0.0	36	8 110	100.0
Wetzikon, Hinwilerstrasse 11	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	1	0	0.0	1	0	0.0
Wil, Obere Bahnhofstrasse 40	6	2 308	68.0	6	245	7.2	0	0	0.0	10	735	21.6	4	107	3.2	26	3 395	100.0
Winterthur, Theaterstrasse 17	0	0	0.0	30	10 245	72.4	3	198	1.4	7	923	6.5	11	2 780	19.7	51	14 146	100.0
Winterthur, Untertor 24	4	953	69.9	0	0	0.0	0	0	0.0	2	411	30.1	0	0	0.0	6	1 364	100.0
Worblauen, Alte Tiefenaustrasse 6	0	0	0.0	4	15 870	87.4	0	0	0.0	1	2 189	12.1	2	106	0.6	7	18 165	100.0
Zofingen, Pfistergasse 2, 12, 14, 16, 20	8	1 763	76.6	1	111	4.8	0	0	0.0	8	366	15.9	2	63	2.7	19	2 303	100.0
Zollikofen, Bernstrasse 160–164, sold																		
Zollikon, Bergstrasse 17, 19	1	554	26.1	5	939	44.2	0	0	0.0	9	633	29.8	2	0	0.0	17	2 126	100.0
Zollikon, Forchstrasse 452–456	0	0	0.0	8	1 540	68.4	0	0	0.0	3	711	31.6	0	0	0.0	11	2 251	100.0
Zuchwil, Dorfackerstrasse 45/ Birchi-Centre	10	10 079	77.0	4	216	1.7	0	0	0.0	15	1 605	12.3	7	877	6.7	36	12 777	97.6
Zug, Zählerweg 4, 6/Dammstrasse 19/ Landis+Gyr-Strasse 3/Opus 1	0	0	0.0	25	14 294	90.3	0	0	0.0	19	1 537	9.7	0	0	0.0	44	15 831	100.0
Zug, Zählerweg 8, 10/ Dammstrasse 21, 23/Opus 2	0	0	0.0	20	18 165	91.0	0	0	0.0	5	1 786	9.0	0	0	0.0	25	19 951	100.0
Zurich, Affolternstrasse 54, 56/ Cityport	0	0	0.0	14	21 590	92.4	0	0	0.0	4	1 775	7.6	1	0	0.0	19	23 365	100.0
Zurich, Bahnhofstrasse 42	3	855	42.7	5	893	44.6	0	0	0.0	2	255	12.7	3	0	0.0	13	2 003	100.0
Zurich, Bahnhofstrasse 69	2	119	10.7	12	860	77.5	0	0	0.0	6	128	11.5	7	2	0.2	27	1 109	100.0
Zurich, Bahnhofstrasse 106	1	141	11.8	6	635	53.1	0	0	0.0	5	384	32.1	4	36	3.0	16	1 196	100.0
Zurich, Brandschenkestrasse 25	2	392	3.0	16	11 412	86.0	0	0	0.0	28	915	6.9	11	547	4.1	57	13 266	100.0
Zurich, Dörflistrasse 120, sold																		
Zurich, Flurstrasse 55	0	0	0.0	10	21 621	67.3	0	0	0.0	7	8 368	26.1	1	2 127	6.6	18	32 116	100.0
Zurich, Flurstrasse 89	0	0	0.0	1	400	12.1	0	0	0.0	1	327	9.9	6	2 573	78.0	8	3 300	100.0
Zurich, Fraumünsterstrasse 16	1	1 317	15.5	8	6 238	73.4	0	0	0.0	21	738	8.7	3	208	2.4	33	8 501	100.0
Zurich, Freilagerstrasse 39, sold																		
Zurich, Hardstrasse 219/ Eventblock Maag	0	0	0.0	34	5 560	28.7	0	0	0.0	26	2 580	13.3	18	11 221	58.0	78	19 361	100.0
Zurich, Josefstrasse 53, 59	5	848	7.0	19	9 115	75.1	1	165	1.4	24	2 012	16.6	0	0	0.0	49	12 140	100.0
Zurich, Kreuzstrasse 54	2	293	18.7	6	883	56.4	0	0	0.0	6	389	24.9	0	0	0.0	14	1 565	100.0
Zurich, Limmattalstrasse 180	1	223	24.8	2	391	43.5	0	0	0.0	4	285	31.7	0	0	0.0	7	899	100.0
Zurich, Manessestrasse 85	0	0	0.0	4	5 654	57.3	1	1 053	10.7	5	3 162	32.0	0	0	0.0	10	9 869	100.0
Zurich, Ohmstrasse 11	11	3 296	53.9	4	1 407	23.0	2	153	2.5	13	1 071	17.5	17	183	3.0	47	6 110	100.0
Zurich, Parking Nordhaus, sold																		

## PROPERTY STRUCTURE PART 2, RESIDENTIAL PROPERTIES

[illegible]

## PROPERTY STRUCTURE PART 1, COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%

## Commercial properties without significant residential space

<b>Zurich</b> , Reitergasse 9, 11, sold																		
<b>Zurich</b> , Schaffhauserstrasse 339	1	219	12.7	5	1 197	69.4	0	0	0.0	3	310	18.0	0	0	0.0	9	1 726	100.0
<b>Zurich</b> , Seidengasse 1/ Jelmoli – The House of Brands	8	25 219	78.3	18	2 118	6.6	0	0	0.0	9	2 467	7.7	11	2 394	7.4	46	32 198	100.0
<b>Zurich</b> , Siewerdtstrasse 8	0	0	0.0	12	3 360	91.3	0	0	0.0	9	320	8.7	1	0	0.0	22	3 680	100.0
<b>Zurich</b> , Sihlcity	86	10 013	42.3	28	5 872	24.8	17	4 463	18.9	94	1 806	7.6	38	1 073	4.5	263	23 227	98.2
<b>Zurich</b> , Sihlstrasse 24/ St. Annagasse 16	1	116	3.8	24	2 108	69.9	3	384	12.7	10	209	6.9	21	197	6.5	59	3 014	100.0
<b>Zurich</b> , Stadelhoferstrasse 18	4	374	19.7	5	938	49.3	1	227	11.9	8	363	19.1	0	0	0.0	18	1 902	100.0
<b>Zurich</b> , Stadelhoferstrasse 22	7	356	11.6	7	1 562	50.8	1	140	4.6	5	948	30.8	2	68	2.2	22	3 074	100.0
<b>Zurich</b> , Steinmühleplatz/ Jelmoli parking	1	72	86.7	1	11	13.3	0	0	0.0	0	0	0.0	47	0	0.0	49	83	100.0
<b>Zurich</b> , Steinmühleplatz 1/ St. Annagasse 18/Sihlstrasse 20	7	702	11.0	10	4 083	64.1	1	130	2.0	26	1 290	20.3	22	165	2.6	66	6 370	100.0
<b>Zurich</b> , Talacker 21, 23	3	470	9.6	12	3 149	64.3	0	0	0.0	21	1 282	26.2	0	0	0.0	36	4 901	100.0
<b>Zurich</b> , Zweierstrasse 25, sold																		
<b>Total I</b>	<b>887</b>	<b>368 807</b>	<b>27.4</b>	<b>1 550</b>	<b>494 978</b>	<b>36.8</b>	<b>150</b>	<b>86 365</b>	<b>6.4</b>	<b>1 506</b>	<b>302 222</b>	<b>22.4</b>	<b>1 023</b>	<b>90 909</b>	<b>6.7</b>	<b>5 116</b>	<b>1 343 281</b>	<b>99.7</b>

## Mixed properties

<b>Basel</b> , Steinen vorstadt 67, sold																		
<b>Biel</b> , Zentralstrasse 36/ Plänkestrasse 39, sold																		
<b>Geneva</b> , Quai du Seujet 30	2	387	14.1	5	1 019	37.1	0	0	0.0	0	0	0.0	0	0	0.0	7	1 406	51.2
<b>Geneva</b> , Route de Malagnou 6/ Rue Michel-Chauvet 7	0	0	0.0	5	831	51.0	1	200	12.3	0	0	0.0	0	0	0.0	6	1 031	63.3
<b>Geneva</b> , Rue de la Croix-d'Or 7/ Rue Neuve-du-Molard 4–6	6	1 333	38.4	5	843	24.3	0	0	0.0	3	125	3.6	0	0	0.0	14	2 301	66.3
<b>Gerlafingen</b> , Kriegstettenstrasse 14, sold																		
<b>Gerlafingen</b> , Kriegstettenstrasse 14, sold																		
<b>Lausanne</b> , Rue de la Mercerie 14	1	79	13.5	0	0	0.0	0	0	0.0	1	19	3.2	1	6	1.0	3	104	17.7
<b>Lausanne</b> , Rue de la Mercerie 16–20	2	82	5.9	1	72	5.2	0	0	0.0	4	143	10.3	1	11	0.8	8	308	22.1
<b>Montévrax</b> , Pra-Mathaux 141, sold																		
<b>Moosseedorf</b> , Moosstrasse 21	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
<b>Oberbüren</b> , Buchental 5	0	0	0.0	3	197	12.0	0	0	0.0	0	0	0.0	9	1 204	73.3	12	1 401	85.3
<b>St. Gallen</b> , Bohl 1/Goliathgasse 6	0	0	0.0	3	1 120	27.4	3	2 244	54.9	0	0	0.0	0	0	0.0	6	3 364	82.2
<b>St. Gallen</b> , Spisergasse 12	5	885	82.7	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	5	885	82.7
<b>St. Gallen</b> , Zeughausgasse 22, sold																		
<b>Sursee</b> , Moosgasse 24, sold																		
<b>Thônex</b> , Avenue Adrien-Jeandin 4, sold																		
<b>Thônex</b> , Rue de Genève 104–108	21	6 547	56.4	4	42	0.4	3	402	3.5	12	947	8.2	51	1 000	8.6	91	8 938	77.0
<b>Vevey</b> , Rue du Simplon 11, sold																		
<b>Visp</b> , Kantonsstrasse 8	2	967	44.1	7	195	8.9	0	0	0.0	4	235	10.7	4	70	3.2	17	1 467	66.9
<b>Zofingen</b> , Pfistergasse 22	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
<b>Zurich</b> , Birmensdorferstrasse 20/ Grüngasse 2, sold																		
<b>Zurich</b> , Freischützgasse 14, sold																		
<b>Zurich</b> , Hônggerstrasse 40/ Röschbachstrasse 22	10	1 465	22.0	7	2 746	41.2	0	0	0.0	6	106	1.6	10	73	1.1	33	4 390	65.8

## PROPERTY STRUCTURE PART 2, RESIDENTIAL PROPERTIES

									Summary	
City, address	1–1½ rooms no.	2–2½ rooms no.	3–3½ rooms no.	4–4½ rooms no.	5 or more rooms no.	Total apartments no. m² %			Total rented properties, commercial and residential, excl. parking no. m²	
Commercial properties without significant residential space										
Zurich, Reitergasse 9, 11, sold										
Zurich, Schaffhauserstrasse 339	0	0	0	0	0	0	0	0.0	9	1 726
Zurich, Seidengasse 1/ Jelmoli – The House of Brands	0	0	0	0	0	0	0	0.0	46	32 198
Zurich, Siewerdtstrasse 8	0	0	0	0	0	0	0	0.0	22	3 680
Zurich, Sihlcity	16	0	0	0	0	16	420	1.8	279	23 647
Zurich, Sihlstrasse 24/ St. Annagasse 16	0	0	0	0	0	0	0	0.0	59	3 014
Zurich, Stadelhoferstrasse 18	0	0	0	0	0	0	0	0.0	18	1 902
Zurich, Stadelhoferstrasse 22	0	0	0	0	0	0	0	0.0	22	3 074
Zurich, Steinhühleplatz/ Jelmoli parking	0	0	0	0	0	0	0	0.0	49	83
Zurich, Steinhühleplatz 1/ St. Annagasse 18/Sihlstrasse 20	0	0	0	0	0	0	0	0.0	66	6 370
Zurich, Talacker 21, 23	0	0	0	0	0	0	0	0.0	36	4 901
Zurich, Zweierstrasse 25, sold										
Total I	19	5	15	12	5	56	4 559	0.3	5 172	1 347 840
Mixed properties										
Basel, Steinvorstadt 67, sold										
Biel, Zentralstrasse 36/ Plänkestrasse 39, sold										
Geneva, Quai du Seujet 30	0	0	0	0	11	11	1 342	48.8	18	2 748
Geneva, Route de Malagnou 6/ Rue Michel-Chauvet 7	0	0	0	0	3	3	597	36.7	9	1 628
Geneva, Rue de la Croix-d’Or 7/ Rue Neuve-du-Molard 4–6	21	4	5	2	0	32	1 171	33.7	46	3 472
Gerlafingen, Kriegstettenstrasse 14, sold										
Gerlafingen, Kriegstettenstrasse 14, sold										
Lausanne, Rue de la Mercerie 14	0	6	0	0	1	7	482	82.3	10	586
Lausanne, Rue de la Mercerie 16–20	15	4	9	0	0	28	1 085	77.9	36	1 393
Montévrax, Pra-Mathaux 141, sold										
Moosseedorf, Moosstrasse 21	0	0	0	6	1	7	626	100.0	7	626
Oberbüren, Buchental 5	0	0	2	0	0	2	241	14.7	14	1 642
St. Gallen, Bohl 1/Goliathgasse 6	3	1	1	2	1	8	727	17.8	14	4 091
St. Gallen, Spisergasse 12	0	0	0	0	1	1	185	17.3	6	1 070
St. Gallen, Zeughausgasse 22, sold										
Sursee, Moosgasse 24, sold										
Thônex, Avenue Adrien-Jeandin 4, sold										
Thônex, Rue de Genève 104–108	8	8	16	8	0	40	2 676	23.0	131	11 614
Vevey, Rue du Simplon 11, sold										
Visp, Kantonsstrasse 8	0	3	0	6	0	9	726	33.1	26	2 193
Zofingen, Pfistergasse 22	0	0	4	0	0	4	446	100.0	4	446
Zurich, Birmensdorferstrasse 20/ Grüngasse 2, sold										
Zurich, Freischützgasse 14, sold										
Zurich, Höggerstrasse 40/ Röschibachstrasse 22	0	20	10	1	0	31	2 280	34.2	64	6 670

## PROPERTY STRUCTURE PART 1, COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%

## Mixed properties

Zurich, Nansenstrasse 5/7	10	2 396	40.9	8	1 487	25.4	0	0	0.0	4	312	5.3	30	75	1.3	52	4 270	72.9
Zurich, Querstrasse 6	2	75	13.5	0	0	0.0	0	0	0.0	0	0	0.0	9	36	6.5	11	111	19.9
Zurich, Schulstrasse 34, 36	0	0	0.0	2	622	36.1	0	0	0.0	1	135	7.8	0	0	0.0	3	757	44.0
Zurich, Stauffacherstrasse 94, 96/ Molkenstrasse 15, 17	2	114	2.4	15	2 860	59.7	1	225	4.7	2	308	6.4	0	0	0.0	20	3 507	73.2
<b>Total II</b>	<b>63</b>	<b>14 330</b>	<b>28.1</b>	<b>65</b>	<b>12 034</b>	<b>23.5</b>	<b>8</b>	<b>3 071</b>	<b>6.0</b>	<b>37</b>	<b>2 330</b>	<b>4.6</b>	<b>115</b>	<b>2 475</b>	<b>4.8</b>	<b>288</b>	<b>34 240</b>	<b>67.0</b>

## Building land

Basel, Hochbergerstrasse 60/ car park	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Dietikon, Bodacher	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Dietikon, Bodacher/Im Maienweg	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Dietikon, Bodacher/Ziegelärgerten	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Geneva Airport, Route de Pré-Bois	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Geneva Airport, Route de Pré-Bois 10/ underground car park	0	0	0.0	0	0	0.0	0	0	0.0	1	408	100.0	0	0	0.0	1	408	100.0
Goldach, St. Gallerstrasse, sold																		
Losone, Via Locarno/Via Truscio	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Mägenwil, Birrfeldstrasse/ allotment north	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Niederwangen near Berne, Riedmoosstrasse 10	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Oberbüren, Buchental/car park	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Plan-les-Ouates, Chemin des Aulx	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Pratteln, Salinenstrasse 54/ Grüssen II, sold																		
Rothrist, Neue Aarburgerstrasse 2, sold																		
Spreitenbach, Joosacker 7	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Vich, Chemin de la Bichette, sold																		
Wangen near Olten, Rickenbacherfeld	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
<b>Total III</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>1</b>	<b>408</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>1</b>	<b>408</b>	<b>100.0</b>

## Properties under construction and development sites

Basel, Hochbergerstrasse 60/ Business Park 60A–E	0	0	0.0	41	27 055	89.3	0	0	0.0	28	1 310	4.3	2	1 941	6.4	71	30 306	100.0
Zurich, Hardstrasse/Maaghof	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Zurich, Hardstrasse 221/Prime Tower	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Zurich, Hardstrasse/Platform	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
<b>Total IV</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>41</b>	<b>27 055</b>	<b>89.3</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>28</b>	<b>1 310</b>	<b>4.3</b>	<b>2</b>	<b>1 941</b>	<b>6.4</b>	<b>71</b>	<b>30 306</b>	<b>100.0</b>

<b>Overall total</b>	<b>950</b>	<b>383 137</b>	<b>26.8</b>	<b>1 656</b>	<b>534 067</b>	<b>37.3</b>	<b>158</b>	<b>89 436</b>	<b>6.3</b>	<b>1 572</b>	<b>306 270</b>	<b>21.4</b>	<b>1 140</b>	<b>95 325</b>	<b>6.7</b>	<b>5 476</b>	<b>1 408 235</b>	<b>98.5</b>
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## PROPERTY STRUCTURE PART 2, RESIDENTIAL PROPERTIES

									Summary	
City, address	1–1½ rooms no.	2–2½ rooms no.	3–3½ rooms no.	4–4½ rooms no.	5 or more rooms no.	no.	Total apartments m²	%	Total rented properties, commercial and residential, excl. parking no. m²	
Mixed properties										
Zurich, Nansenstrasse 5/7	0	5	2	9	1	17	1 587	27.1	69	5 857
Zurich, Querstrasse 6	3	3	0	1	0	7	446	80.1	18	557
Zurich, Schulstrasse 34, 36	0	1	3	9	0	13	964	56.0	16	1 721
Zurich, Stauffacherstrasse 94, 96/ Molkenstrasse 15, 17	0	0	2	6	3	11	1 286	26.8	31	4 793
Total II	50	55	54	50	22	231	16 867	33.0	519	51 107
Building land										
Basel, Hochbergerstrasse 60/ car park	0	0	0	0	0	0	0	0.0	0	0
Dietikon, Bodacher	0	0	0	0	0	0	0	0.0	0	0
Dietikon, Bodacher/Im Maienweg	0	0	0	0	0	0	0	0.0	0	0
Dietikon, Bodacher/Ziegelägerten	0	0	0	0	0	0	0	0.0	0	0
Geneva Airport, Route de Pré-Bois	0	0	0	0	0	0	0	0.0	0	0
Geneva Airport, Route de Pré-Bois 10/ underground car park	0	0	0	0	0	0	0	0.0	1	408
Goldach, St. Gallerstrasse, sold										
Losone, Via Locarno/Via Truscio	0	0	0	0	0	0	0	0.0	0	0
Mägenwil, Birrfeldstrasse/ allotment north	0	0	0	0	0	0	0	0.0	0	0
Niederwangen near Berne, Riedmoosstrasse 10	0	0	0	0	0	0	0	0.0	0	0
Oberbüren, Buchental/car park	0	0	0	0	0	0	0	0.0	0	0
Plan-les-Ouates, Chemin des Aulx	0	0	0	0	0	0	0	0.0	0	0
Pratteln, Salinenstrasse 54/ Grüssen II, sold										
Rothrist, Neue Aarburgerstrasse 2, sold										
Spreitenbach, Joosacker 7	0	0	0	0	0	0	0	0.0	0	0
Vich, Chemin de la Bichette, sold										
Wangen near Olten, Rickenbacherfeld	0	0	0	0	0	0	0	0.0	0	0
Total III	0	0	0	0	0	0	0	0.0	1	408
Properties under construction and development sites										
Basel, Hochbergerstrasse 60/ Business Park 60A–E	0	0	0	0	0	0	0	0.0	71	30 306
Zurich, Hardstrasse/Maaghof	0	0	0	0	0	0	0	0.0	0	0
Zurich, Hardstrasse 221/Prime Tower	0	0	0	0	0	0	0	0.0	0	0
Zurich, Hardstrasse/Platform	0	0	0	0	0	0	0	0.0	0	0
Total IV	0	0	0	0	0	0	0	0.0	71	30 306
Overall total	69	60	69	62	27	287	21 426	1.5	5 763	1 429 661



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