
ANNUAL REPORT

Part
03

FINANCIAL REPORT **2014**



SWISS PRIME SITE

ABOUT THE ANNUAL REPORT 2014

Swiss Prime Site's Annual Report is now divided into three parts, all of which are available for download at www.swiss-prime-site.ch/. Due to sustainability-relevant factors, only part one is available in a print version.



PART 1: STRATEGY AND MANAGEMENT REPORT

- > Reporting on strategy, business model, value-oriented corporate management and sustainability as well as opportunities and risks
- > Management report with comprehensive information on business performance and the earnings, financial and asset situation
- > Information to the property portfolio



PART 2: CORPORATE GOVERNANCE AND COMPENSATION REPORT

- > Corporate governance report according to SIX Swiss Exchange guidelines
- > Compensation report according to the «Ordinance Against Excessive Compensation in Listed Companies»



PART 3: FINANCIAL REPORT

The financial report was produced in accordance with International Financial Reporting Standards (IFRS) and corresponds to article 17 of the Guidelines to Financial Accounting of the SIX Swiss Exchange as well as Swiss law.

- > Information on Swiss Prime Site AG's audited consolidated financial statements, comprising income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in shareholders' equity and notes
- > Valuation expert's report
- > Information on Swiss Prime Site AG's audited financial statements, comprising income statement, balance sheet and notes, as well as proposed appropriation of balance sheet profit
- > EPRA key figures
- > Five-year summary of key figures
- > Property details

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.

CONTENTS



Part
03

1 ABOUT THE ANNUAL REPORT 2014

5 SUMMARY OF KEY FIGURES

7 VALUATION EXPERT'S REPORT

17 CONSOLIDATED FINANCIAL STATEMENTS

- 18 Report of the statutory auditor
 - 20 Consolidated income statement
 - 21 Consolidated statement of comprehensive income
 - 22 Consolidated balance sheet
 - 23 Consolidated cash flow statement
 - 24 Consolidated statement of changes in shareholders' equity
 - 25 Notes to the consolidated financial statements
-

97 FINANCIAL STATEMENTS OF SWISS PRIME SITE AG

- 98 Report of the statutory auditor
 - 100 Income statement
 - 101 Balance sheet
 - 102 Notes to the financial statements
 - 108 Proposed appropriation of balance sheet profit
-

109 EPRA KEY FIGURES

113 FIVE-YEAR SUMMARY OF KEY FIGURES

117 PROPERTY DETAILS

- 118 Financial figures
- 119 General property details
- 134 Property structure commercial properties
- 135 Property structure residential properties

SUMMARY OF KEY FIGURES

SUMMARY OF KEY FIGURES

	in	31.12.2013	31.12.2014	Change in %
Investment properties at fair value ¹	CHF m	9 339.5	9 785.0	4.8
Rental income from properties	CHF m	420.1	443.1	5.5
Vacancy rate	%	6.4	6.6	3.1
Income from real estate services	CHF m	98.6	100.1	1.5
Income from retail and gastronomy	CHF m	156.2	151.9	-2.8
Income from assisted living ¹	CHF m	85.7	153.3	78.9
Total operating income	CHF m	764.7	852.7	11.5
Revaluation of investment properties, properties under construction and development sites	CHF m	186.7	113.2	-39.4
Result from investments in associates	CHF m	8.6	12.9	50.0
Result from property sales, net	CHF m	15.3	2.1	-86.3
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	CHF m	565.9	497.9	-12.0
Earnings before interest and taxes (EBIT)	CHF m	539.2	462.8	-14.2
Profit	CHF m	343.9	286.7	-16.6
of which attributable to non-controlling interests	CHF m	–	0.9	n/a
Comprehensive income	CHF m	378.2	288.2	-23.8
of which attributable to non-controlling interests	CHF m	–	0.9	n/a
Shareholders' equity	CHF m	4 107.3	4 201.8	2.3
of which non-controlling interests	CHF m	–	1.6	n/a
Equity ratio	%	39.1	39.6	1.3
Borrowed capital	CHF m	6 404.9	6 400.3	-0.1
Total capital	CHF m	10 512.2	10 602.1	0.9
ROE (weighted)	%	9.1	7.0	-23.1
ROIC (weighted)	%	4.6	3.7	-19.6
Earnings per share, weighted	CHF	5.70	4.72	-17.2
NAV before deferred taxes per share	CHF	82.65	84.77	2.6
NAV after deferred taxes per share	CHF	67.91	69.06	1.7

Figures without revaluation effects ²

Earnings before interest and taxes (EBIT)	CHF m	352.5	349.6	-0.8
Profit	CHF m	222.8	236.0	5.9
of which attributable to non-controlling interests	CHF m	–	-0.0	n/a
Comprehensive income	CHF m	241.3	207.6	-14.0
Earnings per share (weighted)	CHF	3.69	3.90	5.7
ROE (weighted)	%	6.1	5.9	-3.3

¹ acquisition of Tertianum AG as at 12.07.2013, sale of Permed AG as at 17.03.2014

² revaluations and deferred taxes

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 (properties under construction on a quarterly basis) at their current fair values. The present valuation is valid as at 31.12.2014.

VALUATION STANDARDS AND PRINCIPLES

The fair value derived as at the balance sheet date 31.12.2014 coincides with the fair value described in the International Financial Reporting Standards (IFRS) according to IAS 40 «Investment Property» and IFRS 13 «Fair Value Measurement». In this context, fair value corresponds to the particular price that an independent market participant would receive for the sale of an asset under normal market conditions at the relevant valuation date (i.e. exit price).

DEFINITION OF FAIR VALUE

The exit price is the sales price stated in the purchase agreement to which the parties have mutually agreed. Transaction costs, usually consisting of brokerage commissions and transaction taxes as well as land register and notary costs, are not taken into account in determining fair value. Hence, the fair value is not adjusted for transaction costs incurred by the buyer at the time of sale, according to paragraph 25 of IFRS 13 (gross fair value), which corresponds to the valuation practice in Switzerland.

The valuation at fair value implies that the hypothetical transaction for the asset subject to valuation would take place on the market with the largest volumes and highest level of business activity (principal market) – as well as the market where transactions are executed with sufficient frequency and volume – so enough price information is available for that relevant market (active market). In the case that such a market cannot be identified, the principal market for the asset is assumed that maximises the sales price for the divestment of the particular asset.

IMPLEMENTATION OF FAIR VALUE

Fair value was determined for the first time as at 30.06.2013 on the basis of applying the «highest-and-best-use» standard for a property. Highest-and-best-use is the utilisation of a property that maximises its value. This assumption implies use that is technically/physically feasible, legally permissible and financially realisable. Since the measurement of fair value implies maximised utilisation, the highest and best use can deviate from the actual or planned use of a property. Future investment spending for a property's improvement or value growth is accordingly taken into account in the fair value.

Application of the highest-and-best-use approach is based on the principle of materiality of possible difference in value relative to the value of the particular property and total real estate assets, as well as relative to possible absolute difference in value. A property's potential added value, which fluctuates within the normal assessment tolerance of an individual valuation, is viewed as insignificant here and consequently disregarded.

Fair value is measured depending on the quality and reliability of the valuation parameters, with declining quality or reliability: level 1 market price, level 2 modified market price and level 3 model-based valuation. At the same time, different parameters at different hierarchies can be applied in measuring a property's fair value. Here, the overall valuation is categorised according to the lowest level of the fair value hierarchy, in which the valuation parameters are assigned the highest priority.

Determining the value of Swiss Prime Site's real estate portfolio is carried out with a model-based valuation technique according to level 3, based on input parameters that are not directly observable

on the market, whereby adapted level 2 input parameters may be applied here as well (e.g. market rents, operating/maintenance costs, discount/capitalisation rates, proceeds from the sale of owner-occupied residential property). Unobservable input factors are applied only when relevant observable input factors are unavailable.

Valuation techniques are used that are appropriate for the given circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable input parameters and minimising the use of unobservable input factors. The relevant valuation technique used here is an income-based approach, modelled on the basis of the discounted cash flow valuation method widely applied in Switzerland.

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 (IAS 40/IFRS 13).

Properties under construction that are designated for future divestment (e.g. apartments in freehold property) are valued at cost (IAS 40.9): i.e. current activities and costs are recognised and subsequent valuation carried out at the lower of cost and realisable value, according to IAS 2.

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. The data and documents pertaining to the properties are provided by the owner and assumed to be accurate. All real estate market data are derived from continuously updated data bases held by Wüest & Partner AG (Immo-Monitoring 2015).

VALUATION METHOD

Investment properties are generally valued by Wüest & Partner AG according to the discounted cash flow (DCF) 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 for real estate valuations – in the context of best practice. According to the DCF method, the current 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 independent 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, therefore providing 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

In the reporting period from 01.01. to 31.12.2014, 7 properties were divested while 2 properties, 1 development project and 1 plot of building land were acquired. The total holdings in Swiss Prime Site's real estate portfolio therefore changed by a net minus three properties and now comprise a total of 190 properties. In detail, 7 smaller properties (Schneckerstrasse 1 in Füllinsdorf, Grünfeldstrasse 25 in Rapperswil-Jona, Avenue de Chailly 1, Rue de la Mercerie 14 and Rue de la Mercerie 16, 18, 20 in Lausanne, Hofwisenstrasse 50 in Rümlang as well as Kantonsstrasse 8 in Visp) with total respective fair values of CHF 63.4 million as at 31.12.2013 were divested during the reporting period.

In the same period, the following 4 properties were acquired: 2 existing properties: Viktoriastrasse 21, 21a, 21b in Berne – CHF 55.0 million, Albisriederstrasse 203 in Zurich – CHF 65.4 million; 1 development project: Via San Gottardo 99–99b in Bellinzona – CHF 13.8 million; 1 plot of building land: Chemin de

Riantbosson/Avenue de Mategnin in Meyrin – CHF 6.2 million. These properties had total fair values of CHF 150.7 million as at 31.12.2014.

The two former development properties – Wankdorfallee 4/Swiss Post headquarters/Majowa in Berne and Hagenholzstrasse 60/SkyKey in Zurich – were included in the existing portfolio for the first time as at 31.12.2014 (initial valuation following completion).

The consolidated portfolio comprises 172 existing investment properties, 12 plots of building land and 6 development sites (Via San Gottardo 90–99b, Bellinzona; Müllackerstrasse 2, 4/Bubenholz, Opfikon; Flurstrasse 55/Flurpark, Zurich; Maaghof North and East – Hardstrasse 219, Naphtastrasse 10 and Turbinenstrasse 21, Zurich).

The total realised sales price for the divested properties amounting to CHF 66.6 million was 5.0% more than the reported fair value of CHF 63.4 million as at 31.12.2013. The divestments took place on the open market at the prevailing market conditions.

Six development properties (including one acquisition) are currently in the construction phase. The newly acquired plot of land is located at Via San Gottardo 99–99b in Bellinzona. The property is building land on which a Vitadomo senior centre is being constructed for the Assisted Living segment by 2016.

The property situated at Müllackerstrasse 2, 4/Bubenholz in Opfikon is also classified as a development project for the Assisted Living segment, for which a Vitadomo senior centre with geriatric care facility will be constructed by spring 2015.

The plot of building land located at Chemin de Riantbosson/Avenue de Mategnin in Meyrin was also acquired in the course of the increased stake in Ensemble artisanal et commercial de Riantbosson S.A. from 31.0% to 57.4%.

The property situated at Flurstrasse 55/Flurpark in Zurich is subject to total renovation and scheduled for completion and ready to lease again probably in summer 2015.

The Maaghof North and East project – the third development zone on the Maag Site – will probably be completed as at 01.05.2015. Maaghof North and East is an urban residential building project with rental apartments and condominiums. As at end 2014, the project was progressing according to the contractual provisions and specified time table. The rental apartments in buildings E and F were occupied in December 2014.

The overall development project is divided into the following three subprojects:

- > Maaghof North and East, Hardstrasse 219, Zurich – rental apartments (Maag-ich), buildings B, C, D, E and F
- > Maaghof North and East, Naphtastrasse 10, Zurich – condominiums I, building A (maaghome)
- > Maaghof North and East, Turbinenstrasse 21, Zurich – condominiums II, building H (maaghome)

New building projects have been assessed at fair value on a quarterly basis since 01.01.2009, taking into account the specific risks associated with planning, production and leasing. The semi-annual valuations are only subject to review on a quarterly basis. New building projects that are designated for future divestment (e.g. apartments in freehold property) are valued at cost or the lower of cost and net realisable value.

No transactions were carried out with related parties during the reporting period.

VALUATION RESULTS AS AT 31.12.2014

As at 31.12.2014, the fair value of Swiss Prime Site Group's overall portfolio (total 190 properties) amounted to CHF 9 785.0 million. The fair value of the portfolio therefore increased by CHF 445.5 million compared with the level at 31.12.2013, meaning that the portfolio value grew by 4.8%. The increase consists of the following value changes (including renovations/investments) in existing properties (CHF +239.0 million), the acquired properties (CHF +122.4 million), the acquired project (CHF +19.3 million), the acquired building land (CHF +9.0 million), the aforementioned divestments (CHF –63.4 million), the value changes in plots of building land (CHF +0.0 million) and the value changes and investments relating to projects (CHF +119.3 million).

Changes in the real estate portfolio

in CHF m

Fair value as at 31.12.2013	9 339.5
+ changes in fair value of existing properties	238.9
+ acquisitions of existing properties	122.4
Berne, Viktoriastrasse 21, 21a, 21b	56.0
Zurich, Albisriederstrasse 203	66.4
+ acquisition of project	19.3
Bellinzona, Via San Gottardo 99–99b	19.3
+ acquisition of building land	9.0
Meyrin, Chemin de Riantbosson/Avenue de Mategnin	9.0
– minus divestments	–63.4
Föllinsdorf, Schneckelerstrasse 1	–11.0
Rapperswil-Jona, Grünfeldstrasse 25	–12.8
Lausanne, Avenue de Chailly 1	–3.6
Lausanne, Rue de la Mercerie 14	–3.3
Lausanne, Rue de la Mercerie 16, 18, 20	–6.1
Rümlang, Hofwisenstrasse 50	–22.3
Visp, Kantonsstrasse 8	–4.3
+ changes in fair value of building land	–
+ changes in fair value of projects	119.3
Opfikon, Müllackerstrasse 2, 4/Bubenholz	21.3
Zurich, Flurstrasse 55/Flurpark	34.6
Zurich, Maaghof North and East, Hardstrasse 219, leasing apartments	45.5
Zurich, Maaghof North and East, Naphtastrasse 10, condominiums I	9.4
Zurich, Maaghof North and East, Turbinenstrasse 21, condominiums II	8.5
Fair value as at 31.12.2014	9 785.0

The value increase in existing properties amounted to 2.6% compared with 01.01.2014. Of the 170 existing properties – excluding acquisitions (2), the acquired project (1) acquired building land (1), plots of building land (11) and properties under construction (5), a total of 20 properties – 110 properties were valued higher, 1 property was valued the same and 59 properties were valued lower than at 01.01.2014.

The positive performance turned in by the Swiss Prime Site portfolio is attributable primarily to the continuing low interest rate environment and, in turn, to the resulting diminishing expectations for returns on the part of investors as well as to the high quality of the properties situated in prime locations. Additional factors boosting the value of the portfolio include maintenance and investment measures that have been concluded (renovations), success in leasing individual properties again and the positive trend exhibited by development projects.

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

OUTLOOK FOR THE COMMERCIAL PROPERTY MARKETS

The Swiss economy is basically trending on a robust growth path, but has been to the test by the recent turbulence surrounding currencies. Growth in gross domestic product (GDP) increased by 1.8% in Switzerland in 2014, according to the Swiss State Secretariat for Economic Affairs (SECO). Whether the country can achieve the same growth rate in the current year too is uncertain in light of the lifting of the minimum euro exchange rate versus the Swiss franc. Prolonged and persistent appreciation of the Swiss franc could lead to more difficult times ahead for the export and tourism industries, in particular. Expectations at the present time indicate that economic growth in 2015 will fall short of the average of recent years. Nevertheless, any drastic slump in the Swiss economy (recession) is not anticipated.

Forecasts call for a slowdown in growth in demand for the real estate markets overall. A close eye should also be kept on the new constitutional article aimed at limiting migration, with respect to the future trends in employment and demographics. The structure for implementing the «Against Mass Migration Initiative» is still up in the air, even though an economy-friendly solution seems to be more probable.

While uncertainties in the regulatory environment and currency turbulence are dampening the local economic prospects, low interest rates are having a reviving effect on real estate prices. Mortgage interest rates dropped again at the outset of 2015 and are currently wavering at record-low levels.

Office property market

The Swiss office property market has seen brisk new construction activity in recent years. Hence, the greater Zurich and Geneva regions in particular have experienced a substantial expansion in the supply of office floor space. In the city of Geneva, capacity declined again in the course of 2014, but currently roughly 11% of office properties there are on offer, compared with 7% at the national level.

The noticeable expansion of floor space is having a dampening effect on the trend in rent prices in many locations. The overall Swiss supply price index for office properties is persistently hovering at the previous year's level at present. Rents for office floor space in the greater Zurich and Geneva regions have been under pressure already for some time. Moreover, incentives (e.g. rent-free periods, etc.) are increasingly being utilised in leasing properties in view of the broad supply.

The economic uncertainties that emerged with the recent lifting of the minimum euro exchange rate versus the Swiss franc are having an adverse effect on the future prospects for the office property markets. Assumptions at the present time indicate that fewer new jobs will be created for the time being due to the anticipated weakness in economic output. Consequently, any additional demand for commercial properties should diminish. Asking rents will likely continue to come under pressure, while already existing indexed rental agreements are also expected to be subject to downward revisions due to the deflationary risks. Furthermore, further price corrections should be anticipated in the Lake Geneva region in view of the high level of market liquidity.

Retail property market

The robustly growing residential population and increasing household incomes in Switzerland have formed an attractive and solid underlying foundation for the country's retail property sector. At the same time, growing private consumption was the most important pillar of support for the retail trade sector. However, the Swiss retail property market is still subject to growing competition from online trade and shopping tourism abroad. Hence, rising retail sales are only partially reflected in additional demand for retail floor space. Asking rent prices for retail properties have trended more on the weaker side since the second half-year 2013 than in previous years. The greater Zurich and Geneva regions saw in some cases significant declines in prices, which affected not only B and C locations, but also prime locations where falling rents were registered too.

The outlook for the coming months is restrained. With the renewed appreciation of the Swiss franc, purchasing goods in the Eurozone has once again become much more attractive. In addition, the trend in disposable incomes that affects consumption is also questionable due to the uncertainties surrounding the economy. Stagnating or slightly sinking rents for retail floor space could be in the cards even in very favourable retail locations.

Current real estate transaction prices continue to show a positive trend, even though buyers tend to be more selective and critical and marketing times are becoming longer. In particular, properties with slight handicaps such as elevated vacancy rates, unfavourable micro-locations or structural deficiencies should see increasingly higher transaction yields.

The real estate market is underpinned by an attractive yield spread, based on the current attractive financing conditions as well as uncertain investment opportunities.

Activities in the reporting period were focused primarily on portfolio restructuring. Against this backdrop, various properties that did not conform with strategy were divested and four properties were acquired, thereby optimising the portfolio structure and allocation. These acquisitions enabled Swiss Prime Site to strengthen the development potential, supplement the project pipeline in the medium term and sustainably diversify the real estate portfolio's allocation of use.

Wüest & Partner AG
Zurich, 23.01.2015

Andreas Ammann
Partner

Gino Fiorentin
Partner

ANNEX: VALUATION ASSUMPTIONS

VALUATION ASSUMPTIONS AS AT 31.12.2014

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

Property valuations are fundamentally determined on a going-concern basis applying the «highest and best use» standards. At the same time, the valuation is based on the current rental situation and present condition of the property. Beyond the expiry of the existing rental agreements, earnings forecasts are 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. Possible optimisation measures consistent with the market – such as an improved rental situation in the future – are taken into account.

The valuation or calculation period (DCF 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 annuities are 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 11th 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 3.88% in the current valuation. Assuming an inflation rate of 1.0%, this rate corresponds to a nominal discount rate of 4.92%. The lowest real discount rate applied to a particular property is 2.9%, while the highest is 5.4%.

The valuations are based on the rental tables of the property managers as at 01.01.2015, as well as on floor space details provided by the Company/property managers.

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 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 (IAS 40/IFRS 13).

Properties under construction that are designated for future divestment (e.g. apartments in freehold property) are valued at cost: i.e. current activities and costs are recognised and subsequent valuation carried out at the lower of cost and realisable value, according to IAS 2. 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, 23.01.2015

CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF THE STATUTORY AUDITOR	18
CONSOLIDATED INCOME STATEMENT	20
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	21
CONSOLIDATED BALANCE SHEET	22
CONSOLIDATED CASH FLOW STATEMENT	23
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	24
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	25

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF SHAREHOLDERS OF SWISS PRIME SITE AG, OLTEN

REPORT OF THE STATUTORY AUDITOR ON THE CONSOLIDATED FINANCIAL STATEMENTS

As statutory auditor, we have audited the accompanying consolidated financial statements of Swiss Prime Site AG, which comprise the income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in shareholders' equity and notes (pages 20 to 96) for the year ended 31 December 2014.

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 judgement, 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 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 December 2014 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.

KPMG AG

Jürg Meisterhans
Licensed Audit Expert
Auditor in Charge

Claudius Rügsegger
Licensed Audit Expert

Zurich, 9 March 2015

CONSOLIDATED INCOME STATEMENT

in CHF 1 000	Notes	01.01.– 31.12.2013	01.01.– 31.12.2014
Rental income from properties	4/5	420 121	443 113
Income from real estate services	4/5	98 648	100 084
Income from retail and gastronomy	4/5	156 190	151 855
Income from assisted living	3/4/5	85 675	153 259
Other operating income	4/5	4 018	4 361
Operating income		764 652	852 672
Revaluation of investment properties, properties under construction and development sites, net	4/6/22	186 705	113 234
Result from investments in associates	21	8 590	12 912
Result from property sales, net	4/7	15 290	2 062
Result from sale of participations, net	3/4	–	810
Real estate costs	4/8	– 81 485	– 96 324
Costs of goods sold	4/9	– 80 956	– 87 881
Personnel costs	4/10	– 199 705	– 247 963
Other operating expenses	4/11	– 47 213	– 51 629
Depreciation, amortisation and impairment	23/24/25	– 26 643	– 35 092
Operating expenses		– 436 002	– 518 889
Operating profit (EBIT)		539 235	462 801
Financial expenses	12	– 109 381	– 99 968
Financial income	12	10 620	2 782
Profit before income taxes		440 474	365 615
Income tax expenses	13	– 96 605	– 78 957
Profit		343 869	286 658
Profit attributable to shareholders of Swiss Prime Site AG		343 869	285 763
Profit attributable to non-controlling interests		–	895
Earnings per share, in CHF	30	5.70	4.72
Diluted earnings per share, in CHF	30	5.34	4.40

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in CHF 1 000	Notes	01.01.– 31.12.2013	01.01.– 31.12.2014
Profit		343 869	286 658
Revaluation of owner-occupied properties	23	20 569	38 972
Deferred taxes on revaluation of owner-occupied properties	13	– 4 731	– 8 966
Remeasurement of net defined benefit obligations	10	24 054	– 36 828
Deferred taxes on remeasurement of net defined benefit obligations	13	– 5 604	8 404
Items that will not be reclassified subsequently to profit or loss		34 288	1 582
Items that will be reclassified subsequently to profit or loss		–	–
Other comprehensive income after income taxes		34 288	1 582
Comprehensive income		378 157	288 240
Comprehensive income attributable to shareholders of Swiss Prime Site AG		378 157	287 345
Comprehensive income attributable to non-controlling interests		–	895

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

CONSOLIDATED BALANCE SHEET

in CHF 1 000	Notes	31.12.2013	31.12.2014
Assets			
Cash	14	203 662	257 196
Securities		390	477
Accounts receivable	15	120 406	126 097
Other current receivables	16	10 253	10 068
Current income tax assets	13	420 662	10 707
Inventories	17	26 376	25 532
Trading properties	18	27 785	45 747
Accrued income and prepaid expenses		32 864	35 715
Assets held for sale	19/22	37 809	254 418
Total current assets		880 207	765 957
Other non-current receivables		2 125	425
Pension plan assets	10	20 348	8 067
Non-current financial investments	20	1 541	1 261
Investments in associates	21	29 043	37 599
Investment properties and building land	22	8 051 252	8 424 867
Properties under construction and development sites	22/31	478 250	228 470
Owner-occupied properties	23	732 032	778 656
Owner-occupied properties under construction	23/31	12 360	52 890
Tangible assets	24	53 876	51 476
Goodwill	3/25	167 775	166 311
Intangible assets	25	82 636	78 092
Deferred tax assets	13/28	732	8 002
Total non-current assets		9 631 970	9 836 116
Total assets	4	10 512 177	10 602 073
Liabilities and shareholders' equity			
Accounts payable	26	15 532	16 151
Current financial liabilities	27	1 089 639	714 300
Other current liabilities	26	138 444	138 772
Advance payments		93 461	104 766
Current income tax liabilities		31 687	17 809
Accrued expenses and deferred income	26	111 648	101 900
Total current liabilities		1 480 411	1 093 698
Non-current financial liabilities	27	3 965 865	4 251 522
Other non-current financial liabilities	27	11 173	9 484
Deferred tax liabilities	13/28	891 872	963 412
Pension provision obligations	10	55 511	82 156
Total non-current liabilities		4 924 421	5 306 574
Total liabilities	4	6 404 832	6 400 272
Share capital	29	925 697	930 555
Capital reserves	29	980 466	781 123
Revaluation reserves	29	42 786	72 792
Retained earnings	29	2 158 396	2 415 735
Shareholders' equity attributable to shareholders of Swiss Prime Site AG		4 107 345	4 200 205
Non-controlling interests		–	1 596
Total shareholders' equity		4 107 345	4 201 801
Total liabilities and shareholders' equity		10 512 177	10 602 073

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

CONSOLIDATED CASH FLOW STATEMENT

in CHF 1 000	Notes	01.01.– 31.12.2013	01.01.– 31.12.2014
Profit		343 869	286 658
Depreciation, amortisation and impairment	23/24/25	26 643	35 092
Result from property sales, net	4/7/19	– 15 290	– 2 062
Result from sales of participations, net	3/4	–	– 810
Result from investments in associates		– 8 590	– 12 912
Revaluation of investment properties, properties under construction and development sites, net	4/6	– 186 705	– 113 234
Other non-cash items affecting net income		– 337	1 828
Financial expenses	12	109 381	99 968
Financial income	12	– 10 620	– 2 782
Income tax expenses	13	96 605	78 957
Decrease/increase of inventories		– 771	844
Increase in trading properties	18	– 12 041	– 17 346
Net change in other current assets		11 737	– 13 203
Net change in recognised pension plan assets/liabilities	10	2 118	1 493
Net change in other non-current receivables		1 700	1 700
Change in operating current liabilities		12 574	6 069
Interest payments made	12	– 118 441	– 107 220
Interest payments received	12	1 222	1 036
Income tax payments	13	– 444 254	379 460
Cash flow from operating activities		– 191 200	623 536
Investments in investment properties and building land	22	– 66 604	– 177 343
Investments in properties under construction and development sites	22	– 180 582	– 116 188
Investments in owner-occupied properties	23	– 1 998	– 2 230
Investments in owner-occupied properties under construction	23	– 4 427	– 43 246
Divestments of investment properties and building land	19/22	182 173	65 433
Acquisition of participations, including acquired cash	3	– 267 912	411
Divestment of participations, including acquired cash	3	–	4 136
Investments in intangible assets	25	– 1 670	– 3 909
Investments in tangible assets	24	– 12 367	– 10 835
Divestments of securities		67	5
Redemptions of non-current financial investments	20	255	–
Dividends received		2 140	2 380
Cash flow from investing activities		– 350 925	– 281 386
Increase in financial liabilities	27	9 339 548	6 263 300
Redemption of financial liabilities	27	– 8 719 734	– 6 929 043
Redemption of bond 4.625%, 2005–2013	27	– 200 000	–
Issues of bonds	27	345 000	600 000
Cost of bonds		– 1 436	– 4 336
Distribution from capital contribution reserves	29	– 217 775	– 217 801
Purchase of treasury shares	29	– 1 717	– 736
Sale of treasury shares	29	139	–
Cash flow from financing activities		544 025	– 288 616
Increase in cash		1 900	53 534
Cash at beginning of period		201 762	203 662
Cash at end of period		203 662	257 196

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	Revaluation reserves	Retained earnings	Shareholders' equity of share-holders of Swiss Prime Site AG	Non-controlling interests	Total share-holders' equity
As at 01.01.2013		918 178	1 172 692	26 948	1 796 077	3 913 895	–	3 913 895
Profit	29/30	–	–	–	343 869	343 869	–	343 869
Revaluation of owner-occupied properties	23	–	–	20 569	–	20 569	–	20 569
Deferred taxes on revaluation of owner-occupied properties	28	–	–	– 4 731	–	– 4 731	–	– 4 731
Remeasurement of net defined benefit obligations	10	–	–	–	24 054	24 054	–	24 054
Deferred taxes on remeasurement of net defined benefit obligations	28	–	–	–	– 5 604	– 5 604	–	– 5 604
Other comprehensive income after income taxes		–	–	15 838	18 450	34 288	–	34 288
Comprehensive income		–	–	15 838	362 319	378 157	–	378 157
Distribution from capital contribution reserves on 24.04.2013	29	–	– 217 794	–	–	– 217 794	–	– 217 794
Conversion of 6 976 units of the CHF 300 million convertible bond into 491 470 registered shares	29	7 519	26 557	–	–	34 076	–	34 076
Share-based compensation	29/33	–	589	–	–	589	–	589
Purchase of treasury shares	29	–	– 1 717	–	–	– 1 717	–	– 1 717
Sale of treasury shares	29	–	139	–	–	139	–	139
As at 31.12.2013		925 697	980 466	42 786	2 158 396	4 107 345	–	4 107 345
Profit	29/30	–	–	–	285 763	285 763	895	286 658
Revaluation of owner-occupied properties	23	–	–	38 972	–	38 972	–	38 972
Deferred taxes on revaluation of owner-occupied properties	28	–	–	– 8 966	–	– 8 966	–	– 8 966
Remeasurement of net defined benefit obligations	10	–	–	–	– 36 828	– 36 828	–	– 36 828
Deferred taxes on remeasurement of net defined benefit obligations	28	–	–	–	8 404	8 404	–	8 404
Other comprehensive income after income taxes		–	–	30 006	– 28 424	1 582	–	1 582
Comprehensive income		–	–	30 006	257 339	287 345	895	288 240
Increase to a majority shareholding with non-controlling interests	3	–	–	–	–	–	701	701
Distribution from capital contribution reserves on 25.04.2014	29	–	– 217 801	–	–	– 217 801	–	– 217 801
Conversion of 4 507 units of the CHF 300 million convertible bond into 317 521 registered shares	29	4 858	17 298	–	–	22 156	–	22 156
Share-based compensation	29/33	–	1 896	–	–	1 896	–	1 896
Purchase of treasury shares	29	–	– 736	–	–	– 736	–	– 736
As at 31.12.2014		930 555	781 123	72 792	2 415 735	4 200 205	1 596	4 201 801

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. The Company's business activities are primarily carried out by its subsidiaries. Swiss Prime Site («Group») adapted its organisational structure as at 01.01.2013 to the Company's robust growth as well as the increasingly more complex challenges presented by real estate investments. Significant management services that had previously been provided by third parties, up until 31.12.2012 based on a management agreement, were integrated into the Group and the executive management and some real estate specialists were employed directly.

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. The Company aims 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, the Company works together with reputable industry partners.

With the acquisition of Tertium AG as at 12.07.2013, the existing portfolio comprising office and retail properties was supplemented by the Assisted Living segment, with considerable earnings stability and above-average growth potential. The acquisition resulted in a boost in growth as well as broader diversification of risks.

Since the acquisition of Wincasa AG as at 25.10.2012, real estate services can be obtained internally within the Group. Moreover, Swiss Prime Site has succeeded in gaining even more direct access to the regional real estate markets and thus underpinning its position for executing project developments and acquisitions.

With the acquisition of Jelmoli Group in 2009, Swiss Prime Site also acquired the Retail and Gastronomy segment, in addition to the properties. The products and brands for Jelmoli – The House of Brands department store are determined by means of evaluation procedures. The focus is directed at high-quality products and brands.

1.3 INVESTMENT STRATEGY

The investment regulations define Swiss Prime Site's investment strategy. When selecting investments, the Group primarily concentrates on business properties with good development potential situated in the major economic locations in Switzerland. The significant criteria applied to the selection of investments in commercial properties are quality of the location, economic development potential, access via traffic routes and public transportation, architectural concept and finishing standard, occupancy rate or occupancy potential, solvency and mix of tenants, utilisation flexibility of the buildings, realised return as well as existing potential for boosting value and revenues.

In order to optimise income, a loan-to-value (LTV) ratio of 65% of all investment properties is permitted. Properties may be pledged to secure corresponding loans. The loan-to-value ratio is derived according to 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.

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 Guidelines to Financial Accounting of the Swiss stock exchange (SIX Swiss Exchange). The consolidated financial statements comprise the Holding Company as well as its subsidiaries (hereinafter jointly referred to as «Group companies»).

The consolidated financial statements are essentially based on the historical cost principle. Deviations from this principle are referred to in Notes 2.8 to 2.39 and apply to the investment properties, properties and owner-occupied properties under construction, development sites (except those designated for divestment) 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 stock-exchange prices or at fair values as at the balance sheet date. The significant accounting principles are explained in the following section.

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 maintain their accounts in Swiss francs as well. Transactions denominated in foreign currencies are immaterial.

2.2 AMENDMENTS RELATIVE TO IFRS ACCOUNTING PRINCIPLES

Apart from the changes described below, the applicable accounting principles remain the same as in the previous year. As at 01.01.2014, Swiss Prime Site introduced the following new or revised standards and interpretations:

Standard/ interpretation	Title
IAS 32 rev.	Offsetting financial assets and liabilities
IAS 39 rev.	Novation of derivatives and continuation of hedge accounting
IFRS 10 rev., IFRS 12 rev. and IAS 27 rev.	Investment entities
IFRIC 21	Levies

The amendments had no significant impact on these consolidated financial statements.

The following new and revised standards and interpretations have been adopted, but will go into effect at a later time and were not prematurely applied to these consolidated financial statements. The impact therefrom on Swiss Prime Site's consolidated financial statements has not yet been systematically analysed, so the estimated effects as disclosed in the following table represent only an initial assessment by the Executive Board.

Standard/ interpretation	Title	Impact	Entering into force	Planned application by Swiss Prime Site
IAS 19 rev.	Defined benefit plans: Employee contributions	1	01.07.2014	Financial year 2015
Various	Annual improvements to IFRSs 2010–2012 cycle	1	01.07.2014	Financial year 2015
Various	Annual improvements to IFRSs 2011–2013 cycle	1	01.07.2014	Financial year 2015
IAS 1	Disclosure initiative	2	01.01.2016	Financial year 2016
IAS 16/IAS 38 rev.	Clarification of acceptable methods of depreciation and amortisation	1	01.01.2016	Financial year 2016
IAS 16/IAS 41 rev.	Bearer plants	1	01.01.2016	Financial year 2016
IFRS 10, IFRS 12 and IAS 28	Investment entities: Applying the consolidation exception	2	01.01.2016	Financial year 2016
IFRS 11 rev.	Accounting for acquisitions of interests in joint operations	1	01.01.2016	Financial year 2016
IFRS 14	Regulatory deferral accounts	1	01.01.2016	Financial year 2016
Various	Annual improvements to IFRSs 2012–2014 cycle	1	01.01.2016	Financial year 2016
IFRS 15	Revenue from contracts with customers	2	01.01.2017	Financial year 2017
IFRS 9	Financial instruments	2	01.01.2018	Financial year 2018

¹ No or no significant impact on the consolidated financial statements is anticipated.

² 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 recognised as 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 Executive Board with respect to current events and possible future measures, the results actually achieved may deviate from these appraisal values.

Fair value measurements

A number of Swiss Prime Site's accounting principles and disclosures require measurement of certain financial assets and liabilities at fair value. Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly business transaction between market participants at the measurement date.

Swiss Prime Site uses, to the extent possible, the data observable in the market for the measurement of fair value of an asset or liability. Based on the input factors used in the valuation techniques, fair value is classified in various levels of the fair value hierarchy, as follows:

Fair value hierarchy

Level 1	Fair value was determined on the basis of (unchanged) quotations in active markets for identical assets and liabilities.
Level 2	Fair value was 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 was determined on the basis of input factors which are not based on observable markets.

When the input factors used to measure the fair value of an asset or liability might be classified in various levels of the fair value hierarchy, the fair value is categorised in its entirety in the same level of the fair value hierarchy as the lowest factor that is significant to the entire measurement.

The Group holds investment properties, building land, properties under construction and development sites as well as properties held for sale with a book value of CHF 8 907.755 million [CHF 8 567.311 million], owner-occupied properties with a book value of CHF 778.656 million [CHF 732.032 million] and owner-occupied properties under construction with a book value of CHF 52.890 million [CHF 12.360 million]. The properties are measured at fair value according to the principles of IFRS 13 «Fair value measurement». The valuations are based on estimates and assumptions that are described in Note 22 «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 value in use are applied in the impairment test, which is performed at least annually. The main assumptions with regard to the calculation of value in use are growth rates and discount rates. These assumptions may prove to be incorrect in the future. Moreover, the effective cash flows may differ from the discounted projections.

The book values based on these assumptions and valuations are specified in Note 25 «Goodwill and 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.

Revaluations exceeding the recapture of previously claimed depreciation are taxed using two different systems. In cantons that 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, which also contains speculation premiums or discounts relating to and depending on the effective duration of ownership, in addition to the ordinary rate for property gains tax.

Accordingly, property gains taxes are reduced in proportion to the duration of ownership of the property. Swiss Prime Site generally assumes duration of ownership of 20 years: i.e. any applicable speculation premiums are not taken into account. Determination of the minimum holding period is subject to considerable discretion.

Devaluations below cost (losses) can 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 practise 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 headquarters or other cantons.

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

The tax liabilities resulting from these assumptions and valuations are described in Note 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 under a single management. These subsidiaries are included in the financial statements within the scope of full consolidation.

The scope of consolidation comprises 15 [15] companies (including the Holding Company). An overview of the subsidiaries is provided in Note 34 «Subsidiaries and investments in associates».

The consolidation is based on the audited annual financial statements of the Group companies as at 31.12.2014, which have been prepared applying uniform accounting principles. All significant transactions and balances between the individual Group companies as well as intercompany 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. In this case, the fair value of the pro-rated net assets is determined at the time of acquisition. These investments are recognised for the first time as 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 reported 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 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.

2.5 CAPITAL CONSOLIDATION

Capital consolidation is carried out using the purchase method. The difference between the purchase price of an acquired company and the fair value of the net assets acquired is recognised in the balance sheet as goodwill from acquisitions. Goodwill is subject to an impairment test annually or at shorter intervals, if there is any indication of impairment.

2.6 SEGMENT REPORTING

Segment reporting complies with IFRS 8 «Operating segments» and is based on the management approach. Swiss Prime Site's primary decision-making authority is the Executive Board. Since the acquisition of Tertianum Group, the Group's operational activities have been divided into three segments which are subject to reporting requirements: Real Estate, comprising purchase and sale, lease and development of properties, as well as real estate services, Retail and Gastronomy, consisting of sales activities in the retail trade in addition to restaurant operations, and Assisted Living, providing senior residences and geriatric care services, which are subject to reporting requirements. All properties are reported under the Real Estate segment, including the owner-occupied properties that are provided for the Retail and Gastronomy as well as Assisted Living segments.

The disclosure on investments in non-current assets in the segment reporting comprises all investments in non-current assets including goodwill, 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 brackets [].

2.8 CASH

Cash comprises cash in hand and sight deposits held at financial institutions. Cash also comprises fixed-term deposits with financial institutions and short-term money market investments with a residual term to maturity of maximum three months, which are recognised in the balance sheet at nominal values.

2.9 SECURITIES

Securities (qualified as held for trading, according to IFRS and affecting net income) include tradable equities held on a short-term basis that are valued at fair value as well as term deposits with a residual term to maturity of more than three months that are recognised at nominal value. Unrealised and realised gains and income from securities are recognised as financial result in the income statement.

2.10 RECEIVABLES

Accounts receivable and other receivables are valued at amortised cost, which generally corresponds to the nominal value, less any requisite impairments for uncollectible receivables. Receivables can be short-term (as a rule) or long-term. Receivables of the Real Estate as well as Assisted Living segments are subject to individual valuation with strict credit-rating guidelines. The value of the receivables of the Retail and Gastronomy segment is adjusted using statistical figures regarding default risk.

2.11 IMPAIRMENTS ON RECEIVABLES

To cover debtor risk, outstanding receivables are evaluated at the end of the reporting period by means of maturity lists and legal case reporting with respect to collectability. The necessary impairments are formed, and impairments that are no longer necessary are released. The setup/release of impairments are recognised in other operating expenses.

2.12 INVENTORIES

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

2.13 TRADING PROPERTIES

Trading properties that are intended for future sale (e.g. condominiums) are valued at the lower of cost or net realisable value, according to IAS 2 «Inventories». The realisation of sales is recorded in operating income as «Income from the sale of trading properties» at the time of transfer of ownership (transfer of benefits and risks). The recognised costs are reported as expense from the sale of trading properties in operating expenses upon realisation of sales.

2.14 ASSETS HELD FOR SALE

These are assets or groups of assets held for sale that have not yet been sold, but will be sold with high probability. Classifying such a divestment as highly probable necessitates the fulfilment of various criteria, including that the competent management level has determined a plan for divesting the asset (or group of assets) and actively commenced the process of searching for a buyer and executing the plan. Furthermore, the asset (or group of assets) must be actively offered for acquisition at a price that is appropriately relative to the current fair value. The divestment should also take place within a one-year period according to expectations. 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 «Non-current assets held for sale and discontinued operations» only with respect to their classification, but not for valuation purposes and are therefore recognised at fair value according to IFRS 13 «Fair value measurement».

2.15 ACCRUED INCOME AND PREPAID EXPENSES

Accrued income and prepaid expenses comprise prepaid expenses relating to the next reporting period and income for the current reporting period that will not be received until a later date.

2.16 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 requisite impairments. Impairment losses are recognised in the income statement. The tenants' improvements and other collaterals are used as security for such loans. If necessary, loans secured by real estate can also be granted, provided that the pledged real estate collateral 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 Swiss francs and euros. Investments in first-class, stock exchange-listed shares, in bonds with a minimum rating by a leading rating agency of «A» and money market paper are permitted. These financial investments are valued similar to securities (see Note 2.9 «Securities»).

2.17 INVESTMENT PROPERTIES AND BUILDING LAND

Investment properties and building land are classified according to IAS 40 «Investment property». The valuation at the time of initial classification is carried out at cost, taking into account directly accountable transaction costs. Thereafter, the valuation is carried out at fair value in accordance with IFRS 13 «Fair value measurement».

Replacement and expansion investments are recognised as cost when it is probable that Swiss Prime Site will obtain a resulting future economic benefit.

The change in fair value is recognised in the income statement. Related deferred tax liabilities or assets on such sums are debited, or credited, to the consolidated income statement as deferred tax expense or deferred tax income. For further information regarding the calculation of fair value see Note 2.2 «Investment properties».

2.18 PROPERTIES UNDER CONSTRUCTION AND DEVELOPMENT SITES

According to IAS 40 «Investment property» properties under construction and development sites with future utilisation as investment properties are recognised at fair value according to IFRS 13 already during construction – the same as other investment properties – provided that the fair value can be reliably determined. The existence of a legally valid building permit is an important indicator 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 valuation of the fair value of properties under construction and development sites is not possible, they are recognised at cost less any required impairments.

Direct allocable interest expenses for properties under construction are capitalised as borrowing costs.

Insofar as the following criteria are fulfilled on a cumulative basis, existing investment properties are reclassified as properties under construction and development sites at the time of realisation:

- > total depletion of the entire property (complete elimination of the property's usefulness)
- > planned investments of more than 30% of fair value
- > duration of renovation longer than 12 months

Following completion of the development or total modification, these properties are classified as either commercial properties without significant residential space or mixed properties.

Existing investment properties remain under the category investment properties for the duration of modification or renovation, insofar as the aforementioned criteria are unfulfilled.

2.19 OWNER-OCCUPIED PROPERTIES AND OWNER-OCCUPIED PROPERTIES UNDER CONSTRUCTION

Owner-occupied properties and owner-occupied properties under construction are recognised at fair value, according to IFRS 13. 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. Owner-occupied properties under construction are treated similarly. As with investment properties, owner-occupied properties are revalued on a semi-annual basis.

2.20 TANGIBLE ASSETS

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

2.21 INTANGIBLE ASSETS AND GOODWILL

Intangible assets are recognised at cost less amortisation and impairment and include 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 relationships and brand names. The amortisation period for software is five years and for customer base five to ten years, respectively (straight line). Goodwill is not amortised. An indefinite useful life is assumed for the brand names currently recognised in the balance sheet.

2.22 DEPRECIATION AND AMORTISATION

The useful life of the respective assets is as follows:

Asset categories	Years
Owner-used property Jelmolli – The House of Brands, Seidengasse 1, Zurich	100
Other owner-occupied properties	60
Equipment	20
Furniture and tenants' improvements	8
Computer and software	5
Customer base	5–10
Goodwill and brand names	indefinite

2.23 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 value in use), an impairment is applied to the realisable value.

Goodwill and brand names with indefinite useful life are subject to impairment test annually or at shorter intervals if there is any reason to presume an impairment.

2.24 LEASING

Swiss Prime Site as lessor

Property leases and land lease contracts are basically operating lease contracts, which are generally recognised in the consolidated income statement linearly over the duration of the contract. In some of the lease 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 booked or accrued in the reporting year.

Swiss Prime Site as lessee

Contracts relating to the use of land and properties, for which land lease or right of use payments are effected, should be subject to review in terms of whether they are to be classified as operating or finance lease.

Payments within the scope of operating leases are recognised in the income statement linearly over the term of the lease or rental agreement, or duration of the land lease. Land lease payments during construction of new buildings are recognised as cost on the balance sheet.

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

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 real estate 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 (i.e. balance sheet liability method). Determination of the deferred taxes takes into account the expected date of settlement of the temporary differences. In this regard, the tax rates used are those applicable or determined at the balance sheet date.

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

2.26 FINANCIAL LIABILITIES

Financial liabilities include current financial liabilities that fall due for redemption within the year and non-current financial liabilities with residual terms to maturity of more than 12 months. Financial liabilities can consist of mortgage-backed loans, borrowed capital components of convertible bonds, bonds and other financial debts. All loans were granted to Swiss Prime Site in Swiss francs. A maximum loan-to-value ratio of 65% of the fair value of the entire real estate portfolio is permitted. Financial liabilities are recognised on the balance sheet at amortised cost.

2.27 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments can be utilised within the scope of ordinary business activities (for example, to hedge interest risks). Hedge accounting in the context of IAS 39 «Financial instruments: recognition and measurement» is not used. Derivative financial instruments are reported at fair value and, given positive or negative fair value, recognised in the balance sheet as financial investments or other financial liabilities, respectively. They can be short or long term in nature. Profits and losses are recognised in net financial income. Further information is provided in Note 37 «Financial instruments and financial risk management».

2.28 ADVANCE PAYMENTS

Advance payments comprise in particular payments from tenants for rent claims or payments on account for cumulative ancillary costs, as well as payments for property divestments as long as the benefits and risks have not yet been transferred. Advance payments are recognised in the balance sheet at nominal value.

2.29 PROVISIONS AND CONTINGENT LIABILITIES

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

2.30 CONVERTIBLE BONDS

The full amount of a convertible bond is recognised as a liability. If the convertible bond is issued on conditions that 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. Given premature redemption, the purchase price (less paid accrued interest) is compared with the pro rata book value. The loss or income attributable to the borrowed capital component from the redemption is recognised in net financial income. Given a conversion, the number of shares to be issued based on the conversion is determined by using the conversion price. The nominal value of the converted shares is credited to share capital and the residual amount to capital reserves.

A convertible bond can contain embedded derivatives, which should be recognised in the balance sheet separately from the basic contract depending on their form.

2.31 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 insofar as 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, respectively. Remeasurement of net defined benefit obligations and the resulting deferred taxes recognised in other comprehensive income are debited/credited to retained earnings. Dividend payments are debited to retained earnings. All other changes of capital are recognised 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 (ROE) of 6% to 8%.

2.32 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).

2.33 DIVIDENDS

In compliance with Swiss statutory provisions and the Company's 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 subsequently paid out.

2.34 EMPLOYEE BENEFITS

All of Swiss Prime Site's pension plans are treated as defined benefit plans according to IAS 19 «Employee benefits».

The amount reported in the balance sheet corresponds to the difference between the fair value of pension plan assets and the present value of pension provision obligations. The present value of pension provision obligations from defined benefit plans is determined by external experts according to the projected unit credit method. The actuarial appraisals are prepared separately for each benefit plan. Actuarially derived overfunding is only recognised as net pension plan assets to the extent that the Group stands to gain a resulting future economic benefit in the form of reduced contributions in the context of IFRIC 14 «IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction».

All changes in the present value of pension provision obligations and the fair value of pension plan assets are recognised at the time of occurrence.

Pension costs comprise the following three components:

- > service costs, recognised in the income statement (personnel costs)
- > net interest costs, recognised in the income statement (personnel costs)
- > remeasurement of net defined benefit obligations, recognised in other comprehensive income

Service costs comprise the current service costs, past service costs and profit and loss from plan compensation. Profit and loss from plan curtailments are treated equally as past service costs.

Net interest expense corresponds to the amount derived from multiplying net pension provision obligations (or pension plan assets) at the beginning of the financial year by the discount rate, taking into account the changes resulting from contributions and pension payments in the financial year.

Remeasurement gains consist of the following:

- > actuarial profits and losses from developments in the present value of defined benefit liabilities that result due to changes in assumptions and deviations from experience
- > gains on assets, less contributions, included in net interest expense
- > changes in unrecognised assets less effects included in net interest expense

Remeasurement gains/losses are recognised in other comprehensive income and cannot be reclassified to the income statement.

2.35 SHARE PLANS AND SHARE-BASED COMPENSATION

The fees paid to the Board of Directors as well as the variable compensation paid to the Executive Board and members of management employed by Swiss Prime Site Group AG are effected at 50% in the form of Swiss Prime Site AG shares. For the other members of the Executive Board, drawing shares of up to 25% of the variable compensation is optional. Fair value of these shares on the date they are granted is recognised as personnel costs according to the principles of IFRS 2 «Share-based payment», with a corresponding increase in shareholders' equity over the vesting period. The entitlements are settled by means of treasury shares.

2.36 OPERATING INCOME AND REALISATION OF INCOME

Operating income includes all rental income from leasing properties, income from real estate services, income from retail and gastronomy, income from assisted living, as well as other operating income. Vacancy costs are deducted directly from the target rental income. Operating income is recorded upon maturity or upon provision of services.

Profits from the divestment of properties and investments are reported net, taking into account any incidental selling expenses incurred, after operating income.

Realisation of income is generally recognised in all segments when the right of use and risk has passed to the customer. Income from retail trade activities is recognised at the date of delivery of the goods, or in services operations in accordance with the extent of the services provided. For the divestment of properties, this date is designated in the sales contract (generally transfer to owner).

2.37 INTEREST

Interest on loans as well as land lease interest for qualified properties and owner-occupied properties under construction and development sites, in addition to trading properties, are attributed to cost. With this method, financial expenses and real estate costs, respectively, 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 expense and interest income are apportioned as set out in the loan agreements and directly debited or credited to the financial result accordingly.

2.38 TRANSACTIONS WITH RELATED PARTIES

Related parties are regarded as the Board of Directors, the Executive Board, the subsidiaries, 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 33 «Transactions with related parties».

2.39 EARNINGS PER SHARE

Basic earnings per share are determined by dividing the consolidated profit attributable to shareholders of Swiss Prime Site AG by the weighted average number of outstanding shares. Diluted earnings per share are determined by deducting expenses in connection with the convertible bonds, 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 weighted average number of outstanding shares.

3 ACQUISITIONS/DIVESTMENTS

3.1 ENSEMBLE ARTISANAL ET COMMERCIAL DE RIANTBOSSON S.A.

As at 31.12.2013, 31.0% of the shares in Ensemble artisanal et commercial de Riantbosson S.A., Frauenfeld, were held and valued according to the equity method. In the reporting year, an additional 26.4% of the shares were acquired for CHF 1.540 million, of which CHF 0.242 million in cash and CHF 1.298 million for the cession of a shareholder's loan. The company owns a plot of land/a project. No business activities were acquired. This investment is fully consolidated after the increase in the stake from 31.0% to 57.4%.

The fair values of the identifiable assets and liabilities of Ensemble artisanal et commercial de Riantbosson S.A. as at the acquisition date of 15.01.2014 were as follows:

in CHF 1 000	15.01.2014
Cash	653
Non-current assets	5 174
Total assets	5 827
Liabilities	4 924
Shareholders' equity	903
Total liabilities and shareholders' equity	5 827

3.2 PERMED AG

Swiss Prime Site concluded a sales agreement on 27.01.2014 for its indirect 100% shareholding in Permed AG, Zurich. The divestment was executed on 17.03.2014. The sales price amounted to CHF 6.221 million in cash, resulting in profit of sale amounting to CHF 0.810 million.

The book values of Permed AG at the time of divestment were as follows:

in CHF 1 000	17.03.2014
Cash	2 085
Other current assets	4 880
Non-current assets	3 190
Total assets	10 155
Liabilities	4 733
Shareholders' equity	5 422
Total liabilities and shareholders' equity	10 155

3.3 TERTIANUM AG

In the previous year, Swiss Prime Site AG acquired 100% of the shares of Tertianum AG, Zurich, from Zürcher Kantonalbank, Helvetia, Swiss Re and Marazzi family for CHF 287.808 million in cash. Tertianum AG is the leading group in the assisted living sector in Switzerland. With the acquisition of the Tertianum properties situated in prime locations and valued at CHF 436.352 million, Swiss Prime Site supplemented its portfolio by a segment with considerable earnings stability and above-average growth potential.

The fair values of the identifiable assets and liabilities of Tertianum Group as at the acquisition date of 12.07.2013 were as follows:

in CHF 1 000	Values as at 12.07.2013
Assets	
Cash	19 896
Accounts receivable	21 927
Other current receivables	4 258
Inventories	1 413
Accrued income and prepaid expenses	4 174
Total current assets	51 668
Investment properties and building land	6 000
Owner-occupied properties under construction	7 902
Owner-occupied properties	422 450
Tangible assets	8 749
Intangible assets	29 835
Total non-current assets	474 936
Total assets	526 604
Liabilities	
Accounts payable	6 204
Current financial liabilities	2 000
Other current liabilities	1 570
Advance payments	4 915
Current income tax liabilities	2 353
Accrued expenses and deferred income	25 038
Total current liabilities	42 080
Non-current financial liabilities	199 641
Other non-current financial liabilities	515
Deferred tax liabilities	14 490
Net pension provision obligations	26 546
Total non-current liabilities	241 192
Total liabilities	283 272
Total identifiable net assets at fair value	243 332
Cash settlement (purchase price)	287 808
Goodwill	44 476

The breakdown of the acquired receivables was as follows:

in CHF 1 000	Contractual receivables, gross	Non- collectable receivables	Fair values
Accounts receivable	22 822	– 895	21 927
Other current receivables	4 258	–	4 258
Total receivables	27 080	– 895	26 185

Goodwill comprises assets that cannot be separately identifiable or reliably determined, stemming primarily from future estimated earnings. Due to the divestment of Permed AG, Zurich, goodwill in the Assisted Living segment decreased by CHF 1.464 million. Goodwill is not deductible for tax purposes.

From the date of acquisition of 12.07.2013 until 31.12.2013, Tertianum Group generated a contribution to consolidated operating income of CHF 111.615 million and to profit of CHF 4.673 million. For the full reporting period 2013, Tertianum Group generated operating income of CHF 221.921 million and profit of CHF 11.020 million. If the acquisition had taken place as at 01.01.2013, consolidated operating income and consolidated profit would have amounted to CHF 874.958 million and CHF 350.216 million, respectively, in the financial year 2013.

The transaction costs for this acquisition amounted to CHF 2.694 million and were recognised in the consolidated income statement in audit and consultancy costs under other operating expenses (cash flow from operating activities). The transaction costs were already settled on the balance sheet date. Net money outflows amounted to CHF 267.912 million (reported in cash flow from investing activities).

4 SEGMENT REPORTING

Swiss Prime Site is a group that primarily operates a real estate business comprising buying and selling, managing and developing investment properties as well as providing real estate services. The consolidated financial data are subdivided into the segments Real Estate, Retail and Gastronomy, as well as Assisted Living – since the acquisition of Tertianum Group as at 12.07.2013 – enabling the assessment of the earnings potential and financial situation of each segment.

Segment income statement 01.01.–31.12.2014

in CHF 1 000	Real Estate segment	Retail and Gastronomy segment	Assisted Living segment ¹	Total segments	Eliminations	01.01.– 31.12.2014 Total Group
Rental income from properties	431 324	18 609	47 103	497 036	– 53 923	443 113
thereof from third parties	377 401	18 609	47 103	443 113	–	443 113
thereof from other segments	53 923	–	–	53 923	– 53 923	–
Income from real estate services	100 518	–	–	100 518	– 434	100 084
Income from retail and gastronomy ²	–	152 091	–	152 091	– 236	151 855
Income from assisted living	–	–	153 598	153 598	– 339	153 259
Other operating income	2 149	1 584	1 194	4 927	– 566	4 361
Operating income	533 991	172 284	201 895	908 170	– 55 498	852 672
Revaluation of investment properties, properties under construction and development sites, net	137 085	–	–	137 085	– 23 851	113 234
Result from investments in associates	12 912	–	–	12 912	–	12 912
Result from property sales, net	2 062	–	–	2 062	–	2 062
Result from sale of participations, net	–	–	810	810	–	810
Real estate costs	– 59 203	– 34 727	– 57 487	– 151 417	55 093	– 96 324
Cost of goods sold	–	– 71 878	– 16 003	– 87 881	–	– 87 881
Personnel costs	– 98 963	– 44 173	– 104 873	– 248 009	46	– 247 963
Other operating expenses	– 29 400	– 10 270	– 12 317	– 51 987	358	– 51 629
Depreciation and amortisation	– 6 627	– 10 319	– 3 026	– 19 972	– 15 120	– 35 092
Operating expenses	– 194 193	– 171 367	– 193 706	– 559 266	40 377	– 518 889
Operating profit (EBIT)	491 857	917	8 999	501 773	– 38 972	462 801
Financial expenses						– 99 968
Financial income						2 782
Profit before income taxes						365 615

¹ acquisition of Tertianum AG as at 12.07.2013, sale of Permed AG as at 17.03.2014

² sale of operating business of hotel Ramada Encore, Lancy, as at 30.11.2013

Segment income statement 01.01.–31.12.2013

in CHF 1 000	Real Estate segment	Retail and Gastronomy segment	Assisted Living segment ¹	Total segments	Eliminations	01.01.– 31.12.2013 Total Group
Rental income from properties	424 214	18 010	25 437	467 661	– 47 540	420 121
thereof from third parties	376 674	18 010	25 437	420 121	–	420 121
thereof from other segments	47 540	–	–	47 540	– 47 540	–
Income from real estate services	98 708	–	–	98 708	– 60	98 648
Income from retail and gastronomy	–	156 438	–	156 438	– 248	156 190
Income from assisted living	–	–	85 676	85 676	– 1	85 675
Other operating income	2 423	1 440	502	4 365	– 347	4 018
Operating income	525 345	175 888	111 615	812 848	– 48 196	764 652
Revaluation of investment properties, properties under construction and development sites, net	198 121	–	–	198 121	– 11 416	186 705
Result from investments in associates	8 590	–	–	8 590	–	8 590
Result from property sales, net	15 290	–	–	15 290	–	15 290
Real estate costs	– 59 356	– 40 352	– 29 293	– 129 001	47 516	– 81 485
Cost of goods sold	–	– 73 003	– 7 953	– 80 956	–	– 80 956
Personnel costs	– 91 255	– 48 255	– 60 253	– 199 763	58	– 199 705
Other operating expenses	– 29 730	– 11 040	– 7 065	– 47 835	622	– 47 213
Depreciation and amortisation	– 5 683	– 9 774	– 2 033	– 17 490	– 9 153	– 26 643
Operating expenses	– 186 024	– 182 424	– 106 597	– 475 045	39 043	– 436 002
Operating profit (EBIT)	561 322	– 6 536	5 018	559 804	– 20 569	539 235
Financial expenses						– 109 381
Financial income						10 620
Profit before income taxes						440 474

¹ acquisition of Tertianum AG as at 12.07.2013

Revenues realised between the segments are eliminated in the column «Eliminations». In addition, these columns contain ordinary depreciation and impairment on owner-occupied properties as well as the elimination of revaluations recorded that affect net income in the Real Estate segment on investment properties used within the Group, which are recognised in the consolidated financial statements as owner-occupied properties.

Tertianum Group has been included in the Assisted Living segment from the date of its acquisition on 12.07.2013.

Composition of operating income by products and services

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Income from rental of properties	420 121	443 113
Income from real estate services	98 648	100 084
Income from retail, hotel and gastronomy ¹	156 190	151 855
Income from assisted living ²	85 675	153 259
Other operating income	4 018	4 361
Total operating income	764 652	852 672

¹ sale of operating business of hotel Ramada Encore, Lancy, as at 30.11.2013

² acquisition of Tertium AG as at 12.07.2013, sale of Permed AG as at 17.03.2014

Operating income comprised CHF 132.803 million [CHF 127.983 million] from the sale of goods and CHF 719.869 million [CHF 636.669 million] from the provision of services.

Segment balance sheet as at 31.12.2014

in CHF 1 000	Real Estate segment	Retail and Gastronomy segment	Assisted Living segment	Total segments	Eliminations	31.12.2014 Total Group
Total assets	10 417 750	120 538	89 848	10 628 136	- 26 063	10 602 073
Total liabilities	6 303 481	57 718	65 136	6 426 335	- 26 063	6 400 272
Investments in non-current assets	357 008	7 215	4 405	368 628	-	368 628

Segment balance sheet as at 31.12.2013

in CHF 1 000	Real Estate segment	Retail and Gastronomy segment	Assisted Living segment	Total segments	Eliminations	31.12.2013 Total Group
Total assets	10 325 438	140 286	98 712	10 564 436	- 52 259	10 512 177
Total liabilities	6 299 455	73 596	84 040	6 457 091	- 52 259	6 404 832
Investments in non-current assets	692 646	7 286	87 130	787 062	-	787 062

Investments in associates of CHF 37.599 million [CHF 29.043 million] are included in the total assets of the Real Estate segment.

All assets held by Swiss Prime Site are located in Switzerland.

5 OPERATING INCOME

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Target rental income from investment properties	433 794	449 210
Rental income from additionally leased properties	14 061	23 508
Vacancy	–27 734	–29 605
Rental income from properties	420 121	443 113
Income from real estate services	98 648	100 084
Income from retail and gastronomy, gross	170 429	167 642
Rebates	–14 239	–15 787
Income from retail and gastronomy¹	156 190	151 855
Income from assisted living²	85 675	153 259
Other operating income	4 018	4 361
Total operating income	764 652	852 672

¹ sale of operating business of hotel Ramada Encore, Lancy, as at 30.11.2013

² acquisition of Tertianum AG as at 12.07.2013, sale of Permed AG as at 17.03.2014

Swiss Prime Site's primary business activity is renting investment properties. Net rental income from properties as well as land lease income totalled CHF 443.113 million [CHF 420.121 million], including CHF 23.449 million [CHF 19.954 million] of variable rental income (comprising turnover-based rent and parking fee income). Rental income included rental income from either the acquisition date of the individual properties or since 01.01.2014 [01.01.2013].

During the reporting period, rental income was derived from renting total floor space of 1 620 131 m² [1 525 493 m²], which was subdivided into 1 602 723 m² [1 507 112 m²] of commercial space and 17 408 m² [18 381 m²] of residential space.

Vacancy losses totalled CHF 29.605 million [CHF 27.734 million], equivalent to a vacancy rate of 6.6% [6.4%]. The vacancies were deducted from the target rental income. Detailed information can be found under «Property details» starting from page 117.

Income from real estate services was generated by Wincasa AG, which provides services primarily for various institutional investors, in addition to services for the Group's real estate holdings.

The second operating segment, Retail and Gastronomy, comprises Jelmoli – The House of Brands, Clouds Gastro AG and the hotel business or Ramada Encore in the previous year. Income from retail and gastronomy amounted to CHF 151.855 million [CHF 156.190 million]. As at end November 2013, the operating business of hotel Ramada Encore was divested.

Since the acquisition of Tertianum AG as at 12.07.2013, a third segment was created: Assisted Living. Tertianum Group provides senior housing and geriatric care services. Income from assisted living amounted to CHF 153.259 million [CHF 85.675 million]. The share of rent from the accommodation prices of the Tertianum residence guests was reported in rental income from investment properties and rental income from additionally leased properties.

Other operating income of CHF 4.361 million [CHF 4.018 million] included various other income from the Real Estate, Retail and Gastronomy and Assisted Living segments.

DETAILS ON RENTAL INCOME

The following table depicts the breakdown of the contractual end of the term of individual rental agreements based on future net annual rental income and land lease income from investment properties (excluding properties under construction and development sites, and excluding additionally leased properties) as at 31.12.2014:

End of contract	31.12.2013 Future rental income in CHF 1 000	31.12.2013 Share in %	31.12.2014 Future rental income in CHF 1 000	31.12.2014 Share in %
Under 1 year ¹	44 693	10.6	56 070	12.5
Over 1 year	43 097	10.2	44 040	9.8
Over 2 years	35 395	8.4	38 774	8.7
Over 3 years	36 891	8.8	51 533	11.5
Over 4 years	53 071	12.6	41 356	9.2
Over 5 years	26 063	6.2	36 140	8.1
Over 6 years	27 397	6.5	34 521	7.7
Over 7 years	30 785	7.3	13 662	3.1
Over 8 years	13 514	3.2	10 937	2.4
Over 9 years	13 750	3.2	13 078	2.9
Over 10 years	96 913	23.0	108 185	24.1
Total	421 569	100.0	448 296	100.0

¹ includes all indefinite rental agreements (residential, parking facilities, commercial properties etc.)

Future rental income has been presented from the Real Estate segment perspective and based on the rental agreements of the Group's properties as at 31.12.2014 [31.12.2013].

LARGEST EXTERNAL TENANT GROUPS

As at the balance sheet date, the five largest external tenant groups accounted for 21.9% [20.8%] of future annual rental income and land lease income (Real Estate segment perspective). These individual tenants had good credit ratings and consist of the following corporations, in particular:

in %	31.12.2013	31.12.2014
Coop	7.2	6.7
Migros	5.1	4.9
Swiss Post	n/a	4.1
Swisscom	3.9	3.7
Zurich Insurance Company Ltd	n/a	2.5
Inditex S.A.	2.4	n/a
Dosenbach-Ochsner AG	2.2	n/a

According to IAS 17 «Leases», rental agreements represent leasing transactions. Rental agreements are generally 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.

SWISS PRIME SITE AS GRANTOR OF LAND LEASES

Land leases should be checked insofar as they are operating or finance leases using general criteria according to IAS 17 «Leases». Based on analyses and present value tests, it was determined that all current land lease contracts are operating leases.

Key figures of land leases

Land lease areas	384 m ² to 2 839 m ²
Residual terms to maturity	7 to 71 years
Contract extension options	none to 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	01.01.– 31.12.2013	01.01.– 31.12.2014
Land lease income up to 1 year	1 108	826
Land lease income from 1 year up to 5 years	4 576	3 303
Land lease income after 5 years	11 854	8 799
Total future land lease income	17 538	12 928

6 REVALUATION OF INVESTMENT PROPERTIES, PROPERTIES UNDER CONSTRUCTION AND DEVELOPMENT SITES

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Revaluation	289 679	211 457
Devaluation	– 102 974	– 98 223
Total revaluation of investment properties, properties under construction and development sites, net	186 705	113 234

The weighted average real discount rate applied to investment properties (existing properties) amounted to 3.88% [4.01%]. Further information regarding fair value measurement is available in Note 22 «Investment properties» as well as in the valuation expert's report.

7 RESULT FROM PROPERTY SALES

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Gains from sales of commercial properties without significant residential space	13 066	846
Losses from sales of commercial properties without significant residential space	– 414	– 982
Losses from sales of commercial properties with minimal residential space	–	– 596
Gains from sales of properties held for sale	3 407	3 104
Losses from sales of properties held for sale	– 769	– 310
Total result from property sales, net	15 290	2 062

In 2014, seven [ten] properties were divested.

8 REAL ESTATE COSTS

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Property expenses	–48 544	–49 641
Third-party rents	–18 819	–30 761
Expenses for third party services	–6 203	–6 444
Expenses for real estate services	–4 112	–4 657
Land lease expenses	–3 807	–4 821
Total real estate costs	–81 485	–96 324

Property expenses included maintenance and repair costs of CHF 19.931 million [CHF 20.769 million], ancillary costs borne by the owner of CHF 11.999 million [CHF 12.816 million], property-related insurance costs and fees of CHF 7.661 million [CHF 7.242 million] as well as costs for cleaning, energy and water of CHF 10.050 million [CHF 7.717 million].

Of third-party expenses, CHF 1.784 million [CHF 1.897 million] was attributable to property management fees. An additional CHF 0.840 million [CHF 0.769 million] constituted costs for the revaluation of properties by Wüest & Partner AG and CHF 3.819 million [CHF 3.537 million] was related to leasing expenses and other administrative costs for third parties.

Expenses for real estate services primarily consisted of charged costs such as centre management services, Internet site and various third-party services.

An amount of CHF 4.821 million [CHF 3.807 million] was spent on land lease expenses.

SWISS PRIME SITE AS LAND LEASE HOLDER

Land leases should be checked insofar as they are operating or finance leases using general criteria according to IAS 17 «Leases». Based on analyses and present value tests, it was determined that all current land lease contracts are operating leases.

Key figures of land leases

Land lease areas	188 m ² to 31 074 m ²
Residual terms to maturity	6 to 79 years
Contract extension options	none to 50 years
Price adjustments	annually to every 10 years
Pre-emption rights	none, unilateral and bilateral

RIGHTS OF USE

Similar to land lease, rights of use of all current contracts are defined as operating leases according to IAS 17 «Leases». Information relating to future rights of use payments and land lease payments is included in Note 31, «Future obligations and contingent liabilities» in the list of operating lease agreements.

Key figures of rights of use

Rights of use areas	80 m² to 202 m²
Residual terms to maturity	6 to 28 years
Contract extension options	5 to 20 years
Price adjustments	annually
Pre-emption rights	none

9 COSTS OF GOODS SOLD

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Costs of goods sold from retail	–68 274	–68 468
Costs of goods sold from gastronomy	–4 729	–3 409
Costs of goods sold from assisted living	–7 953	–16 004
Total cost of goods sold	–80 956	–87 881

Costs of goods sold was reported on a net basis (i.e. after deducting rebates and discounts) and included services obtained from third parties for the Retail and Gastronomy segment as well as Assisted Living segment.

10 PERSONNEL COSTS

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Wages and salaries	–162 580	–204 367
Social security expenses	–14 079	–16 653
Pension plan expenses	–15 019	–18 550
Other personnel expenses	–8 027	–8 393
Total personnel costs	–199 705	–247 963
Number of employees as at 31.12.	3 105	3 097
Number of full-time equivalents as at 31.12.	2 321	2 370

As at 31.12.2014, Swiss Prime Site employed a workforce of 3 097 [3 105] persons. With the divestment of Permed AG, 60 employees left the Group.

Personnel costs reflected salaries from all segments, in addition to compensation to the members of the Board of Directors, including the relevant social security contributions incurred, as well as expenses for leasing of personnel.

INFORMATION RELATING TO SWISS PRIME SITE'S DEFINED BENEFIT PENSION PLANS

Swiss Prime Site maintains occupational pension plans for its employees to safeguard against the economic consequences of old age, disability and death, within the scope of various pension schemes (e.g. pension funds and collective foundations, set up primarily through a life insurance company) that are legally and financially independent of the employer. The pension plan assets are totally separated from the employer's assets as well as from insured employee's assets. The Swiss Federal Law on Occupational Old-age, Survivor's and Disability Insurance (BVG) and its regulatory statutes as well as Swiss Federal Law on Vesting in Pension Plans stipulate minimum benefits in the area of obligatory insurance and, to some extent, also the area of over-obligatory insurance. The respective benefit plans of the individual Group companies are defined in the regulations of their pension fund or collective foundations and in the affiliation agreement as well as in the affiliation's pension plan. Swiss Prime Site maintained four [four] autonomous pension fund solutions as at the balance sheet date, two [three] pension schemes in fully insured collective foundations and two [two] pension schemes in (partly) autonomous collective foundations.

The board of trustees of a pension scheme is the predominant governing body, comprising on equal terms the same number of employer and employee representatives. The board of trustees makes decisions regarding the contents of the pension regulations (particularly the insured benefits), financing of the pension scheme (e.g. employer and employee contributions) and asset management (e.g. investment of pension funds, assignment of asset management activities to an external party, reinsurance of regulatory obligations by a life insurance firm). Insofar as a Group company is affiliated with a collective foundation, a respective administrative committee, in addition to the board of trustees of the collective foundation, is directly responsible for the pension scheme of the affiliated Group company. It also comprises on equal terms the same number of employer and employee representatives, which make the relevant decisions for the pension scheme. Pension schemes are entered in the Occupational Old-age, Survivor's and Disability Insurance register and subject to supervision by a cantonal regulatory authority, or directly by the Swiss Federal Social Insurance Office (FSIO), depending on its geographic scope of activity.

The occupational pension plan functions according to the fully funded principle. An individual retirement fund is accumulated in the course of a working life, taking into account the insured party's annual salary and annual retirement credits plus interest. The interest rate on individual retirement funds amounted from 1.50% to 2.25% [0.00% to 2.25%]. The life-long pension is derived from the individual retirement funds available at the time of retirement multiplied by the current effective pension conversion rate of 5.48% to 6.80% [5.57% to 6.85%]. The employee has the option of drawing the pension benefits as a partial or full lump-sum payment, or the full amount as capital. In addition to the pension benefits, the pension plan entitlements also comprise survivor's and disability pensions, calculated as a percentage of the insured annual salary. Upon an employee's exit from a Group company, the individual retirement funds are transferred to the pension scheme of the new employer or a vested benefits account.

To finance the benefits, savings and risk contributions are collected from employee and employer as a percentage of the insured salary according to the respective pension regulations and/or premium accounts of the collective foundation. In this regard, the employer is responsible for a minimum 50% of the financing.

Depending on the organisational structure of the pension institution, the employer can be exposed to various risks resulting from the occupational pension plan:

The autonomous pension schemes harbour risks from the savings process as well as from the asset management and directly bear the demographic risks (longevity, death, disability). The respective pension scheme can change its financing system at any time (e.g. contributions and future benefits). The pension scheme may require recapitalisation contributions from the employer for the duration of underfunding according to Swiss law (i.e. BVG), insofar as other measures do not achieve the objective.

The semi-autonomous pension schemes safeguard against the demographic risks through a life insurance company, but directly carry out the savings process and the asset management. The respective pension scheme can change its financing system at any time (e.g. contributions and future benefits).

The pension scheme may require recapitalisation contributions from the employer for the duration of underfunding according to Swiss law (BVG), insofar as other measures do not achieve the objective. In relation to the insured demographic risks, there further is a risk that the insurance coverage is only temporary in nature (e.g. cancellation by the life insurance firm), and that the inherent risks of the plan may lead to variable insurance premiums over time.

The fully insured pension schemes safeguard against any investment and demographic risks through a life insurance company. Consequently, the pension plan's funding ratio amounts to 100% at all times, according to Swiss law (BVG). However, the risk still looms that insurance coverage is only temporary in nature (e.g. cancellation by the life insurance firm), and that the inherent risks of the plan may lead to variable insurance premiums over time.

Furthermore, the respective collective foundation may cancel the affiliation agreement with the relevant Group company subject to compliance with a notice of termination, compelling it to seek affiliation with another pension scheme. This could result in the transfer of an underfunding and/or longevity risks (current pensions) depending on the terms of the affiliation agreement and the current partial liquidation regulations.

ACTUARIAL ASSUMPTIONS

The following assumptions were applied to the valuation of the occupational benefit plans (presented as weighted average):

Assumptions

	Figures in	31.12.2013	31.12.2014
Discount rate	%	2.3	1.2
Future salary increases	% p.a.	1.5	1.0
Future pension increases	%	–	–
Percentage of retirement benefits as pension upon retirement	% p.a.	n/a	20.0
Assumption to longevity of active insured persons with age of 45	years	39.1	39.2
Assumption to longevity of retirees with age of 65	years	21.3	21.4
Weighted average duration of defined benefit obligations	years	13.7	14.5

RECONCILIATION OF DEFINED BENEFIT OBLIGATIONS AND PLAN ASSETS

Defined benefit obligations

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Present value of defined benefit obligations as at 01.01.	465 901	568 703
Interest expense on defined benefit obligations	9 287	13 046
Current service cost (employer)	15 427	17 538
Contributions by plan participants	8 292	10 985
Benefits paid	– 13 636	– 24 774
Past service cost	– 1 478	– 88
Effect of business combinations and disposals ¹	110 533	– 4 274
Administration cost (excluding cost for managing plan assets)	260	283
Actuarial gain (–)/loss (+) on benefit obligations	– 25 883	66 831
Total present value of defined benefit obligations as at 31.12.	568 703	648 250

¹ 2013 acquisition of Tertianum AG as at 12.07.2013 and sale of operating business of hotel Ramada Encore, Lancy;
2014 sale of Permed AG as at 17.03.2014

Present value of defined benefit obligations for active insured persons amounted to CHF 342.983 million [CHF 299.067 million] and for retirees to CHF 305.267 million [CHF 269.636 million].

Plan assets

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Fair value of plan assets as at 01.01.	450 885	557 178
Interest income on plan assets	8 749	12 773
Contributions by the employer	12 648	15 765
Contributions by plan participants	8 292	10 985
Benefits paid	– 13 636	– 24 774
Effect of business combinations and disposals ¹	84 270	– 3 587
Return on plan assets excluding interest income	5 970	20 141
Total fair value of plan assets as at 31.12.	557 178	588 481

¹ 2013 acquisition of Tertianum AG as at 12.07.2013 and sale of operating business of hotel Ramada Encore, Lancy;
2014 sale of Permed AG as at 17.03.2014

In the previous year, the return on plan assets excluding interest income included a loss amounting to CHF 6.500 million resulting from the application of partial liquidation provisions of a former employee pension fund. The loss was attributable to lower-than-expected plan assets transferred to the new pension fund.

Swiss Prime Site is expected to contribute CHF 15.900 million [CHF 14.660 million] to the defined benefit plans in the financial year 2015.

Net defined benefit obligations

in CHF 1 000	31.12.2013	31.12.2014
Present value of defined benefit obligations	568 703	648 250
Fair value of plan assets	– 557 178	– 588 481
Underfund as at 31.12.	11 525	59 769
Adjustment due to asset ceiling	23 638	14 320
Net defined benefit obligations	35 163	74 089

Net defined benefit obligations of CHF 74.089 million [CHF 35.163 million] were split into CHF 8.067 million [CHF 20.348 million] in assets and CHF 82.156 million [CHF 55.511 million] in obligations. The assets or available economic benefits were derived in the form of reduced future contribution payments.

Reconciliation of effect of asset ceiling

in CHF 1 000	31.12.2013	31.12.2014
Asset ceiling as at 01.01.	– 15 567	– 23 638
Interest expense on effect of asset ceiling	– 272	– 544
Change in effect of asset ceiling excluding interest expense	– 7 799	9 862
Total asset ceiling as at 31.12.	– 23 638	– 14 320

Defined benefit cost

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Current service cost (employer)	– 15 427	– 17 538
Past service cost	1 478	88
Interest expense on defined benefit obligations	– 9 287	– 13 046
Interest income on plan assets	8 749	12 773
Interest expense on effect of asset ceiling	– 272	– 544
Administration cost (excluding cost for managing plan assets)	– 260	– 283
Defined benefit cost	– 15 019	– 18 550

Changes to the pension plan

Based on a resolution taken in 2013, the pension solutions of the Wincasa AG employees, which previously were covered under the Credit Suisse Group pension plan, were transferred to the SPS and Jelmoli pension fund as at 01.01.2014, resulting in a negative past service cost due to the difference in the benefit coverage.

Remeasurement of defined benefit obligations

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Actuarial gain (+)/loss(–) on defined benefit obligations	25 883	– 66 831
Return on plan assets excluding interest income	5 970	20 141
Change in effect of asset ceiling excluding interest expense	– 7 799	9 862
Remeasurement of net defined benefit obligations recognised in other comprehensive income	24 054	– 36 828

Actuarial gain/loss on defined benefit obligations

in CHF 1 000	31.12.2013	31.12.2014
Actuarial gain (+)/loss (–) arising from changes in financial assumptions	29 176	– 84 441
Actuarial gain (+)/loss (–) arising from experience adjustments	– 3 293	3 150
Actuarial gain (+)/loss (–) arising from changes in demographic assumptions	–	14 460
Total actuarial gain (+)/loss (–) on defined benefit obligations	25 883	– 66 831

Reconciliation of net defined benefit obligations

in CHF 1 000	31.12.2013	31.12.2014
Net defined benefit obligations as at 01.01.	30 583	35 163
Defined benefit cost recognised in the consolidated income statement	15 019	18 550
Remeasurement of net defined benefit obligations recognised in other comprehensive income (OCI)	– 24 054	36 828
Contributions by the employer	– 12 648	– 15 765
Effect of business combinations and disposals ¹	26 263	– 687
Total net defined benefit obligations as at 31.12.	35 163	74 089

¹ 2013 acquisition of Tertianum AG as at 12.07.2013 and sale of operating business of hotel Ramada Encore, Lancy;
2014 sale of Permed AG as at 17.03.2014

Plan asset classes

Asset classes, in CHF 1000	31.12.2013	31.12.2014
Cash and cash equivalents with quoted market price	136 012	31 873
Cash and cash equivalents without quoted market price	–	10 791
Equity instruments with quoted market price	125 278	183 947
Debt instruments (e.g. bonds) with quoted market price	137 543	168 738
Real estate with quoted market price	51 995	85 558
Real estate without quoted market price	51 560	53 554
Investment funds with quoted market price	411	368
Others with quoted market price	43 092	45 950
Others without quoted market price	11 287	7 702
Total plan assets at fair value	557 178	588 481

SENSITIVITY ANALYSIS

Sensitivity analyses were compiled for the key assumptions – while constantly maintaining the other assumptions – used to calculate defined benefit obligations, based on changes that were reasonably possible at the balance sheet date.

The discount rate as well as the assumptions for future salary increases and future pension increases were increased respectively decreased by fixed percentage points. Sensitivity to mortality rates was calculated through decreasing and/or increasing the mortality rate with a lump-sum factor, resulting in a roughly one-year increase, respectively, decrease in the life expectancy of most of the age categories.

in CHF 1 000	31.12.2013	31.12.2014
Value of defined benefit obligations as at 31.12.	568 703	648 250
Defined benefit obligations as at 31.12. with discount rate –0.25%	588 694	672 648
Defined benefit obligations as at 31.12. with discount rate +0.25%	549 986	625 456
Defined benefit obligations as at 31.12. with salary change –0.25%	566 999	645 773
Defined benefit obligations as at 31.12. with salary change +0.25%	570 419	650 691
Defined benefit obligations as at 31.12. with life expectancy +1 year	587 870	671 322
Defined benefit obligations as at 31.12. with life expectancy –1 year	548 985	624 722
Defined benefit obligations as at 31.12. with pension increase +0.25%	583 564	666 012
Service cost (employer) of next year with discount rate +0.25%	16 545	21 320

11 OTHER OPERATING EXPENSES

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Expenses for tangible assets	– 8 630	– 10 748
Non-life insurance, fees	– 778	– 1 271
Capital taxes	– 2 296	– 2 853
Administrative expenses	– 17 073	– 18 686
Audit and consultancy costs	– 8 952	– 7 344
Advertising	– 8 337	– 9 043
Collection- and bad-debt-related losses	– 1 147	– 1 684
Total other operating expenses	– 47 213	– 51 629

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

Capital taxes were calculated according to the effective tax rates on the basis of intercantonal tax allocation. Capital taxes of Swiss Prime Site AG, SPS Beteiligungen Alpha AG, SPS Beteiligungen Beta AG and SPS Beteiligungen Gamma AG were reduced due to the holding privilege.

Administrative expenses included costs incurred for the reporting process, other administrative expenses and cost for various services provided by third parties.

Audit and consultancy costs included consulting fees of CHF 6.404 million [CHF 8.055 million], of which transaction costs for the acquisition of Tertium Group in the previous year accounted for CHF 2.694 million. Audit fees amounted to CHF 0.940 million [CHF 0.897 million].

12 FINANCIAL RESULT

Financial expenses

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Interest expenses	– 109 348	– 99 964
Fair value changes of financial instruments	– 33	– 4
Total financial expenses	– 109 381	– 99 968

Financial income

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Interest income	880	662
Dividend income on securities and financial investments	101	249
Fair value changes of financial instruments	9 217	1 507
Other financial income	422	364
Total financial income	10 620	2 782

13 INCOME TAXES

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Current income taxes for the reporting period	–31 052	–16 805
Adjustments for current income taxes for other accounting periods	131	1 309
Total current income taxes	–30 921	–15 496
Deferred taxes resulting from revaluation and depreciation	–85 293	–69 051
Deferred taxes resulting from the sale of investment properties	16 201	3 886
Deferred taxes from tax rate changes and reductions from duration of ownership deductions	2 778	1 176
Deferred taxes resulting from loss offsetting	–104	–362
Other deferred taxes	734	890
Total deferred taxes	–65 684	–63 461
Total income taxes	–96 605	–78 957

Current income taxes were calculated at the effective maximum tax rates. At the same time, agreements with the appropriate tax authorities were considered as well. According to IAS 12 «Income taxes», current income taxes were divided into current income taxes for the reporting period and adjustments for current income taxes for other accounting periods.

The decrease in current income tax assets as at the balance sheet date was attributable to a claim for withholding taxes of CHF 419.650 million from the Swiss Federal Tax Administration. The assets were reimbursed on 10.01.2014 (see also Note 31 «Future obligations and contingent liabilities»).

Deferred taxes were split into deferred taxes due to revaluation and depreciation, sales of investment properties, tax rate changes and reductions resulting from duration of ownership deductions, loss offsettings and other deferred taxes. Deferred taxes are subject to the risk of tax rate changes as well as changes in the cantonal tax regulations.

RECONCILIATION OF INCOME TAXES

Income taxes were calculated using the effective relevant tax rates. Deferred taxes were calculated with the expected tax rates. Liabilities for current income taxes were recognised in the balance sheet as current income tax liabilities under current liabilities.

Tax reconciliation and deviation from the effective tax burden from the average tax rate of 23% [23%]:

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Profit before income taxes	440 474	365 615
Income taxes at average tax rate of 23%	–101 309	–84 091
Taxes at other rates (including property gains taxes)	4 449	–1 353
Adjustment for current income taxes for other accounting periods	131	1 309
Effect from losses incurred in the current financial year that cannot be applied from a tax standpoint	–1 073	–1 221
Taxes on intercompany revenues and expenses	555	4 909
Other effects	642	1 490
Total income taxes	–96 605	–78 957

DEFERRED TAXES

Where the revaluations according to IFRS versus the fiscal values were due to recaptured, previously claimed depreciation, the taxes were allocated per property after deduction of any applicable property gains tax and taken into account separately. In this case, tax rates of between 4.5% and 17.9% [4.7% and 18.0%] were applied.

Upward revaluations exceeding the recaptured, previously claimed depreciation are subject to tax using two different systems. Cantons that 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 4.0% and 25.0% [4.0% and 25.0%], depending on duration of ownership.

Accordingly, property gains taxes are reduced in proportion to the increased duration of ownership of the property. Swiss Prime Site generally assumes ownership for a minimum period of 20 years, meaning that potential speculation premiums are not taken into account. Deferred tax expenses as a result of depreciation and revaluation according to commercial law amounted to CHF 69.051 million [CHF 85.293 million].

Total deferred tax expense of CHF 63.461 million [CHF 65.684 million] was debited to the consolidated income statement. This was mainly attributable to the fact that deferred tax liabilities or deferred tax assets had to be taken into account for revaluations and depreciation under commercial law. Of the total deferred tax assets resulting from loss offsetting, only those were recognised that can probably be offset with future profits. The other deferred tax assets on losses carried forward were not recognised due to the insufficient future probability of offsetting losses.

Deferred tax assets

in CHF 1 000	31.12.2013	31.12.2014
Taxable losses carried forward of subsidiaries	15 076	14 211
Possible tax effect on taxable losses carried forward at an average tax rate of 23%	3 467	3 269
Losses carried forward which can in all probability be offset against future profits	-2 048	-473
Total recognised deferred tax assets at an average tax rate of 23%	-471	-109
Total deferred tax assets not recognised at an average tax rate of 23%	2 996	3 160
Recognised deferred tax assets from loss offsetting	471	109
Other deferred tax assets	261	7 893
Total deferred tax assets	732	8 002

Expiring taxable losses carried forward

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

in CHF 1 000	31.12.2013	31.12.2014
Under 1 year	776	–
After 1 year	547	–
After 2 years	155	–
After 3 years	627	–
After 4 years	811	2 251
After 5 years	2 251	3 682
After 6 years	3 682	3 786
After 7 and more years	4 179	4 019
Total expiring taxable losses carried forward	13 028	13 738

Deferred tax liabilities not recognised on the balance sheet

On the balance sheet date, there were total temporary outside basis differences (i.e. temporary differences between IFRS book values of investments in subsidiaries and their lower income tax values) amounting to CHF 2 104.390 million [CHF 1 939.086 million], for which no deferred tax liabilities were recognised since the Group controlled the timing of the reversal of the temporary differences and it is probable that these will not be reversed in the foreseeable future. The resulting amount not recognised on the balance sheet totalled to CHF 8.418 million [CHF 7.756 million].

Deferred taxes recognised in other comprehensive income

in CHF 1 000	31.12.2013	31.12.2014
Deferred taxes on revaluation of owner-occupied properties	- 4 731	- 8 966
Deferred taxes on remeasurement of net defined benefit obligations	- 5 604	8 404
Total deferred taxes recognised in other comprehensive income	- 10 335	- 562

14 CASH

in CHF 1 000	31.12.2013	31.12.2014
Cash on hand	2 716	2 609
Sight deposits	200 946	254 587
Total cash	203 662	257 196

Sight deposits comprised bank accounts exclusively. The investments were made in line with market conditions.

15 ACCOUNTS RECEIVABLE

in CHF 1 000	31.12.2013	31.12.2014
Accounts receivable, gross	124 247	129 963
Impairments	- 3 841	- 3 866
Total accounts receivable	120 406	126 097

Most of the accounts receivable related to claims for rent and ancillary costs, to customer claims for real estate management services and to accounts receivable from the Retail and Gastronomy segment as well as the Assisted Living segment.

Development of the impairment of receivables

in CHF 1 000	31.12.2013	31.12.2014
Impairment at beginning of period	1 989	3 841
Increase of impairment based on individual valuation	2 236	1 905
Release of impairment based on individual valuation	– 384	– 1 880
Total impairment at end of period	3 841	3 866

Impairment changes were recognised in other operating expenses.

Maturities of receivables

in CHF 1 000	31.12.2013 Gross receivables	31.12.2013 Impairments	31.12.2014 Gross receivables	31.12.2014 Impairments
Not yet due	89 608		97 320	
Due between 0 and 30 days	13 036		6 415	
Due between 31 and 90 days	2 916		4 079	
Due between 91 and 120 days	1 172		887	
Due for more than 120 days	17 515		21 262	
Total gross receivables and impairments	124 247	– 3 841	129 963	– 3 866

Receivables not yet due were primarily receivables from cumulative ancillary costs of the current ancillary cost period.

16 OTHER RECEIVABLES

in CHF 1 000	31.12.2013	31.12.2014
Current accounts receivable	147	587
Other receivables from third parties	7 035	6 301
VAT credits	3 071	3 180
Total other current receivables	10 253	10 068
Total other non-current receivables	2 125	425

Current accounts receivable included receivables from property management companies, which transferred the cumulated real estate surpluses or current accounts receivable to the relevant company on a monthly basis.

Other receivables included a reservation payment of CHF 4.000 million [CHF 4.000 million] for an owner-occupied property and current accounts receivable of CHF 1.700 million [CHF 2.178 million] from the divestment of a foreign investment acquired in February 2011, as well as various smaller accounts receivable.

Other non-current receivables of CHF 0.425 million [CHF 2.125 million] resulted from the divestment of the foreign investment acquired in February 2011.

17 INVENTORIES

in CHF 1 000	31.12.2013	31.12.2014
Merchandise	24 779	23 871
Other inventories	2 037	2 107
Impairments	– 440	– 446
Total inventories	26 376	25 532

Inventories included merchandise from the Retail and Gastronomy segment, primarily from Jelmoli – The House of Brands, as well as from the Assisted Living segment, which were recognised in the balance sheet at average cost – or if lower – at net realisable value.

18 TRADING PROPERTIES

in CHF 1 000	31.12.2013	31.12.2014
Zurich, Naphtastrasse 10/Maaghof North and East	14 570	24 005
Zurich, Turbinenstrasse 21/Maaghof North and East	13 215	21 742
Total trading properties	27 785	45 747

Further details on project status and sales status are provided in Note 22 «Investment properties».

The fire insurance value of trading properties amounted to CHF 45.747 million [CHF 27.785 million].

19 ASSETS HELD FOR SALE

in CHF 1 000	31.12.2013	31.12.2014
Affoltern a.A., Obere Bahnhofstrasse 14	7 788	8 780
Burgdorf, Industry Buchmatt	–	14 300
Eyholz, Kantonsstrasse 79	–	4 701
Glattbrugg, Schaffhauserstrasse 59	–	5 606
Heimberg, Gurnigelstrasse 38	–	8 791
Lausanne, Avenue de Chailly 1 ¹	3 552	–
Lausanne, Rue de la Mercerie 14 ¹	3 267	–
Lausanne, Rue de la Mercerie 16–20 ¹	6 130	–
Oberwil, Mühlemattstrasse 23	–	3 070
Rapperswil-Jona, Grünfeldstrasse 25 ¹	12 810	–
Spreitenbach, Müslistrasse 44	4 262	–
Spreitenbach, Pfadackerstrasse 6/Limmatpark	–	87 440
Vernier, Chemin de l'Etang 72/Patio Plaza	–	92 280
Zurich, Hönggerstrasse 40/Röschibachstrasse 22	–	29 450
Total assets held for sale	37 809	254 418

¹ These properties were sold in 2014.

In line with active portfolio management various properties were intended for sale. The divestment gains or losses were recognised as net result of property sales (see Note 7 «Result from property sales»). Further information regarding fair value measurement is provided in Note 22 «Investment properties».

20 NON-CURRENT FINANCIAL INVESTMENTS

in CHF 1 000	31.12.2013	31.12.2014
Loans	385	385
Other non-current financial investments	1 156	876
Total non-current financial investments	1 541	1 261

Loans comprised two [two] fixed-rate loans with a residual term of up to nine [ten] years and an interest rate of 0% to 6%.

Other non-current financial investments comprised various investments with a share of less than 20% and without significant influence. The investments were valued at amortised cost.

21 RESULT FROM INVESTMENTS IN ASSOCIATES

in CHF 1 000	31.12.2013	31.12.2014
Proportional result from continuing operations of the period	8 590	12 912
Proportional other comprehensive income of the period	—	—
Total proportional result from investments in associates	8 590	12 912

22 INVESTMENT PROPERTIES

Change in investment properties

in CHF 1 000	Building land	Commercial properties without significant residential space	Commercial properties with minimal residential space	Total investment properties	Properties held for sale	Properties under con- struction/ develop- ment sites	Total
As at 01.01.2013	42 945	7 537 549	290 817	7 871 311	185 663	195 120	8 252 094
Follow-up investments	174	65 538	711	66 423	181	180 582	247 186
Capitalised borrowing costs	–	–	–	–	–	5 481	5 481
Additions from acquisition of Tertianum Group	–	6 000	–	6 000	–	–	6 000
Reclassifications	–	–26 214	–9 248	–35 462	–49 098	84 560	–
Net transfer of owner-occupied properties to investment properties ¹	–	36 728	–	36 728	–	–	36 728
Disposal by sale	–	–67 969	–	–67 969	–98 914	–	–166 883
Positive fair value adjustment	1 210	268 501	7 296	277 007	165	12 507	289 679
Negative fair value adjustment	–222	–101 831	–733	–102 786	–188	–	–102 974
Fair value adjustment	988	166 670	6 563	174 221	–23	12 507	186 705
As at 31.12.2013	44 107	7 718 302	288 843	8 051 252	37 809	478 250	8 567 311
Purchases	6 164	121 754	–	127 918	–	–	127 918
Follow-up investments	2 452	52 080	535	55 067	522	116 188	171 777
Capitalised borrowing costs	–	–	–	–	–	8 200	8 200
Reclassifications	–	184 904	–36 894	148 010	248 397	–396 407	–
Net transfer of owner-occupied properties to investment properties ¹	–	–17 314	–	–17 314	–	–	–17 314
Disposal by sale	–	–33 330	–4 282	–37 612	–25 759	–	–63 371
Positive fair value adjustment	2 887	179 590	4 937	187 414	1 804	22 239	211 457
Negative fair value adjustment	–2 478	–87 390	–	–89 868	–8 355	–	–98 223
Fair value adjustment	409	92 200	4 937	97 546	–6 551	22 239	113 234
As at 31.12.2014	53 132	8 118 596	253 139	8 424 867	254 418	228 470	8 907 755

¹ various owner-occupied properties, see Note 23 «Owner-occupied properties and owner-occupied properties under construction»

Further details on investment properties

in CHF 1 000	Building land	Commercial properties without significant residential space	Commercial properties with minimal residential space	Total investment properties and building land	Properties held for sale	Properties under con- struction/ develop- ment sites	Total
Fire insurance values ¹							
On 01.01.2013	3 443	5 688 271	202 731	5 894 445	182 327	189 392	6 266 164
On 01.01.2014	3 565	5 597 445	203 469	5 804 479	41 091	634 700	6 480 270
On 31.12.2014	3 547	5 876 118	149 722	6 029 387	233 070	318 033	6 580 490
Net rental income ²							
01.01.–31.12.2013	489	372 895	12 592	385 976	8 678	35	394 690
01.01.–31.12.2014	523	392 073	12 920	405 516	13 807	282	419 605
Vacancy rate in %							
01.01.–31.12.2013	0.2	6.8	1.7	6.7	1.8	–	6.4
01.01.–31.12.2014	1.6	6.3	1.2	6.1	18.9	6.9	6.6

¹ There were no building insurance values for properties under construction. For building projects, respective builders' liability insurance policies were concluded.

² generated with own investment properties

At balance sheet date, nine [six] investment properties and two [two] development properties (condominiums) were classified as held for sale or trading properties, respectively.

The valuations of properties are determined at least on a semi-annual basis by an external, independent and qualified valuation expert: Wüest & Partner AG, Zurich. The Executive Board, in consultation with the Board of Directors, is responsible for selecting the valuation experts and assigning the mandate for the valuation on an annual basis. The results of the valuations and individual valuation assumptions are verified by the Executive Board and discussed in detail with the respective valuation experts.

The fair values of the designated properties are all categorised as level 3, based on the input factors of the applied valuation technique (see Note 2.3 «Valuations and assumptions»). This is attributable to the fact that the significant input factors for the valuation – such as discount rates or market rents – must be generally derived from information stemming from less active markets.

Details of the property portfolio

(15 largest properties by value)

No.	City, address	Type of property ¹	Fair values CHF 1000	Share of ownership ²	Plot area m ²	Year of construction	Year of renovation	Vacancy rate %	Floor space m ²
1	Zurich, Seidengasse 1/ Jelmoli – The House of Brands	1	799 160	1	6 514	1896	2010	–	36 771
2	Zurich, Hardstrasse 201/ Prime Tower	2	528 230	1	10 416	2011	–	–	48 142
3	Geneva, Rue du Rhône 48–50	2	490 800	1	5 166	1921	2002	2.1	33 431
4	St. Gallen, Zürcherstrasse 462–464/ Shopping Arena	2	304 650	2	33 106	2008	–	1.1	39 845
5	Grand-Lancy, Route des Jeunes 10/ CCL La Praille	2	274 210	3	20 597	2002	–	0.3	36 445
6	Zurich, Hagenholzstrasse 60/SkyKey	2	261 960	1	9 573	2014	–	–	41 253
7	Basel, Hochbergerstrasse 70/ Stückli shopping centre	2	248 170	1	46 416	2009	–	14.8	54 126
8	Geneva, Place du Molard 2–4	2	236 240	1	1 718	1690	2002	0.5	7 178
9	Basel, Messeplatz 12/Messturm	2	204 080	3	2 137	2003	–	–	24 093
10	Zurich, Sihlcity	2	202 462	4	10 162	2007	–	0.7	23 634
11	Zurich, Affolternstrasse 54, 56/ Cityport	2	171 700	1	9 830	2001	–	–	23 420
12	Zurich, Maagplatz 1/Platform	2	169 220	1	5 942	2011	–	–	20 319
13	Berne, Wankdorfallee 4/Majowa	2	152 550	3	5 244	2014	–	–	33 650
14	Zug, Zählerweg 8, 10/ Dammstrasse 21, 23/Opus 2	2	151 500	1	8 981	2003	–	–	19 994
15	Carouge, Avenue Cardinal- Mermillod 36–44	2	151 290	1	14 372	1956	2002	0.2	35 084

¹ type of property

1 commercially used property (investment property) which is partly owner-used (owner-occupied property)

2 commercially used property (pure investment property)

² share of ownership

1 in sole ownership

2 in co-ownership, parking 73/100

3 sole ownership with land lease or partial land lease

4 in co-ownership 242/1000

No.	no.	m ²	%	Retail	Offices, practices, etc.	Cinemas and restaurants	Storage facilities	Other commercial units	Apartments
				no.	m ²	%	no.	m ²	%
1	1	23 765	64.6	2	1 349	3.7	10	4 906	13.3
2	1	321	0.7	49	42 427	88.1	9	2 283	4.7
3	12	14 796	44.3	43	11 147	33.3	2	2 395	7.2
4	52	23 028	57.8	10	3 818	9.6	7	1 600	4.0
5	57	18 702	51.3	2	313	0.9	11	7 287	20.0
6	2	143	0.3	18	35 325	85.6	4	4 053	9.8
7	108	32 531	60.1	11	4 279	7.9	19	9 815	18.1
8	11	2 539	35.4	21	4 046	56.4	1	155	2.2
9	2	165	0.7	25	13 068	54.2	14	9 818	40.8
10	86	10 013	42.4	26	5 838	24.7	17	4 463	18.9
11	–	–	–	13	21 574	92.1	–	–	–
12	–	–	–	7	18 500	91.0	–	–	–
13	–	–	–	8	31 692	94.2	–	–	–
14	–	–	–	20	18 133	90.7	–	–	–
15	20	8 311	23.7	94	20 754	59.2	2	283	0.8

Valuation techniques and significant, unobservable input factors

The individual valuation of the designated properties is carried out by means of the discounted cash flow (DCF) method, under which the fair value of a property is determined by the total future expected net earnings discounted to the valuation date. The calculation is 100 years from the valuation date. A more detailed cash flow forecast is prepared for the first ten years, while approximate annualised assumptions are used for the remainder of the term.

IFRS 13 requires the determination of fair value of real estate based on the highest-and-best-use concept. Highest and best use is the use of a property that maximises its value. This assumption implies a use that is physically feasible, legally permissible and financially feasible. Since the determination of fair value implies maximised benefits, the highest and best use can deviate from the actual or planned use of a property because of unconformity with strategy. Future capital expenditures that improve or enhance the value of a property are accordingly taken into account in the fair value measurement.

VALUATION TECHNIQUES

Building land

The valuation was determined based on the residual method, valuation of the property at the time of completion according to the DCF method (same calculation as for existing properties) and taking into account outstanding investments as well as development risk.

Commercial properties for which the valuation was based on the assumption of continuation of current use, as well as investment properties held for sale and owner-occupied properties

The valuation was determined based on the discounted cash flow method and included underlying cash flows, i.e. expected rental income and operating and maintenance costs over the entire planning period.

Commercial properties for which the valuation was based on the highest and best use

The valuation was determined based on the DCF method. For seven [six] properties the highest and best use did not correspond to the effective use. The effect from the first-time valuation according to the highest-and-best-use concept amounted this year to CHF 7.720 million [CHF 22.546 million].

For one property, the valuation was based on potential conversion to condominiums. For the other six properties, the valuations were based on scenarios such as consideration of additional gross floor space for residential or office use, letting of land in land lease, development scenarios (demolition and construction of office buildings), or conversion to retail floor space.

Properties and owner-occupied properties under construction and development sites

The fair value was determined based on the residual method, valuation of the property at the time of completion according to the DCF method (same calculation as for residential and commercial properties) and taking into account outstanding investments as well as development risk. According to the highest-and-best-use concept, conversion into condominiums or continuation/leasing were taken into consideration in the DCF method. In accordance with the applied highest and best use approach, the assumptions used were consistent with the ones described above for commercial properties for which continuation of current use was presumed for the valuation and for commercial properties that were valued according to the highest and best use concept.

Applicable unobservable input factors as at 31.12.2014

	Figures in	Building land	Commercial properties (continuation of use) ¹	Commercial properties (highest and best use) ²	Properties/ owner-occupied properties under construction/ development sites
Fair value as at balance sheet date	CHF m	53.132	9 009.929	394.880	281.360
Unobservable input factors:					
Average discount rate	%	4.69	3.91	3.88	4.23
Maximum discount rate	%	5.20	5.30	5.40	4.40
Minimum discount rate	%	4.00	2.90	3.15	4.00
Residential	CHF per m ² p.a.	–	103 to 554	120 to 410	315 to 410
Offices	CHF per m ² p.a.	30	60 to 1 100	100 to 945	325 to 400
Retail/gastro	CHF per m ² p.a.	–	105 to 7 600	110 to 7 500	245 to 380
Storage	CHF per m ² p.a.	–	35 to 290	50 to 280	100 to 150
Parking inside	CHF per piece and month	–	42 to 825	100 to 580	180 to 220
Parking outside	CHF per piece and month	92 to 180	25 to 350	38 to 150	–

¹ commercial properties for which the valuation was based on the assumption of continuation of current use, as well as investment properties held for sale and owner-occupied properties

² commercial properties for which the valuation was based on highest and best use

Applicable unobservable input factors as at 31.12.2013

	Figures in	Building land	Commercial properties (continuation of use) ¹	Commercial properties (highest and best use) ²	Properties/ owner-occupied properties under construction/ development sites
Fair value as at balance sheet date	CHF m	40.503	8 537.846	242.744	490.610
Unobservable input factors:					
Average discount rate	%	4.69	4.02	3.90	4.17
Maximum discount rate	%	–	5.40	–	4.40
Minimum discount rate	%	–	3.00	–	4.00
Residential	CHF per m ² p.a.	200 to 300	103 to 540	–	350
Offices	CHF per m ² p.a.	30 to 435	100 to 1 100	250	290 to 350
Retail/gastro	CHF per m ² p.a.	–	100 to 7 500	–	245 to 380
Storage	CHF per m ² p.a.	90 to 120	40 to 250	117	100 to 160
Parking inside	CHF per piece and month	135 to 210	42 to 825	–	–
Parking outside	CHF per piece and month	90 to 200	20 to 350	110	–

¹ commercial properties for which the valuation was based on the assumption of continuation of current use, as well as investment properties held for sale and owner-occupied properties

² commercial properties for which the valuation was based on highest and best use

ADDITIONAL INFORMATION ON VALUATION ASSUMPTIONS

Rental income

Rental income was incorporated in the valuation based on current rent prices and contractually stipulated conditions (including indexing). For fixed-term rental agreements, the sustainably realisable potential rental income for the period following the fixed term from the current perspective was used. The determination of the market-based potential rent was derived from the most recently concluded rental agreements for the relevant property, or other comparable properties in the immediate vicinity, as well as from real estate market research provided by Wüest & Partner AG. The rent potential for retail properties (retail trade business, restaurants, etc.) was determined based on calculations for realistic revenue figures. For existing rental agreements comprising different uses, the rent potential was determined based on separate, individual uses. Tenants' extension options were then taken into account, when the effective rent fell below the derived market rent. For indefinite-term rental agreements, the adjustment to the determined rent potential was carried out considering general legal conditions for rental properties as well as property-specific fluctuations. Credit risks of the respective tenants were not explicitly taken into account in the valuation since relevant contractual safeguards were concluded, as required. The valuation of current vacant rental properties took into account a market- and property-specific marketing period.

For properties for which conversion into condominiums was an underlying assumption, rental income was applied up until the most immediate time of conversion of the rental property into condominiums. Consideration of such rental income was subject to the acknowledgment of the terms stipulated in the rental agreements, particularly the earliest termination of agreement, extension options as well as general legal conditions and practices. Assumptions regarding termination deadlines were based on current applicable laws governing rental property.

Operating and maintenance costs

The process of determining operating and maintenance costs took into account past experience, authorised budgets and benchmark values from a data pool provided by Wüest & Partner AG. For properties for which conversion into condominiums has been presumed, costs were applied only up until the estimated point in time of sale of the last condominium.

Repair costs, construction expenses for conversion to condominiums

Repair costs for preserving the value of the properties as well as long-term costs were determined with the support of construction cost analysis tools, taking into account the investment plans prepared by Swiss Prime Site. The aforementioned tools were used to derive the future investment needs, considering the age of the property, new construction costs and the current condition of individual property components. Repair costs were incorporated in the valuation at 100% in the first ten years, taking into account any potential rental price hikes in the earnings forecast. Starting from the 11th year, repair costs were accounted for at 50% to 70% (only the value-sustaining proportions), without factoring rental price hikes into the model.

The requisite construction expenses for transforming properties presumed as designated for conversion into condominiums are modelled and estimated by means of construction and renovation cost benchmarks provided by Wüest & Partner AG.

Discounting

The applied discounting was based on ongoing monitoring of the real estate market and was derived and verified on the basis of real interest rates – comprising the risk-free interest rate (long-term government bonds) plus general real estate risks plus property-specific premiums – and determined on a risk-adjusted basis per property. The selected discounting factors were empirically evaluated and verified by means of known changes in ownership and transactions.

For properties for which conversion into condominiums has been presumed, the applied discount rate corresponded to a weighted average cost of capital (WACC), with an interest rate in line with a short-term bank financing rate as well as adequate return on equity. For continuing long-term rental contracts,

a mixed value was applied that is derived from the current WACC and the conventional discount rate of an investment property, up until the point in time of possible conversion and sale as condominium.

Sensitivity of fair value measurement to changes in unobservable input factors

An increase in the discount rate reduces fair value, whereas a rise in the market rent price and/or sales proceeds increase fair value. There are correlations between these input factors since they are to some extent dependent on market data. For properties under construction and development sites, the outstanding investments and time to completion of construction reduce fair value, whereas the incurrence of these costs over the period up until completion increases fair value.

In the following analysis, the existing properties (excluding building land, projects and development sites) were taken into account at the current fair value of CHF 9 404.800 million as at the balance sheet date (fair value of overall portfolio CHF 9 785.048 million).

In relation to potential changes in the market environment, sensitivity to discount rates is significant. Fair value changes due to the changes in discount rates were as follows (discount rate derived for overall 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
3.58%	7.4%	696 000	10 100 800
3.68%	4.8%	451 400	9 856 200
3.78%	2.4%	225 700	9 630 500
3.88% (valuation as at 31.12.2014)	–	–	9 404 800
3.98%	–2.3%	–216 000	9 188 800
4.08%	–4.5%	–423 200	8 981 600
4.18%	–6.6%	–620 700	8 784 100
4.28%	–8.6%	–808 800	8 596 000
4.38%	–10.6%	–996 900	8 407 900
4.48%	–12.4%	–1 166 200	8 238 600

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 market rent prices on fair value is also significant. However, substantial changes in rental income over the entire portfolio (with a varying diversity of uses and tenants) in 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 value 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 3.6% given a reduction of market rent 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%	5.4%	507 900	9 912 700
4.0%	3.6%	338 600	9 743 400
2.0%	1.8%	169 300	9 574 100
0.0% (valuation as at 31.12.2014)	–	–	9 404 800
–2.0%	–1.8%	–169 300	9 235 500
–4.0%	–3.6%	–338 600	9 066 200
–6.0%	–5.4%	–507 900	8 896 900
–8.0%	–7.3%	–686 600	8 718 200
–10.0%	–9.1%	–855 800	8 549 000

The sensitivity of fair value 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.

Overall, any change in the fair value of the entire portfolio of more than 5.0% within a year is regarded as less probable.

Current development and new building projects

Zurich, Flurstrasse 55/Flurpark

Project description	The building was constructed in 1979 and comprises six upper floors, a ground floor and four subterranean levels. Following the departure of the sole tenant UBS at end 2012, which had used the building as IT centre, the property is undergoing total renovation and is being equipped with state-of-the-art technology. Subsequent to the renovation – with new office/services as well as warehouse floor space of 18 500 and 7 700 square metres, respectively – the layout will be based on a multi-tenant concept, and utilisation will be expanded with retail, restaurant and commercial space on the ground floor. The subterranean levels are expected to contain 456 parking places. The property will be visibly repositioned too, with a new façade and designated Minergie certification, in order to ensure sustainable occupancy rates in the future.
Project status	The execution order was issued to the total contractor in September 2013. The green light for construction was issued in December 2013. The modification activities are proceeding according to plan. Assembly of the façade is largely completed and state-of-the-art building technology is being installed in the interior. Inspections and operational start-ups will be planned in detail in the coming months.
Occupancy rate ¹	Negotiations with various interested parties are underway. No agreements have been concluded yet.
Completion	Summer 2015

Zurich, Hardstrasse 219, Naphtastrasse 10, Turbinenstrasse 21/Maaghof North and East

Project description	The project involves a residential building complex located to the west of Prime Tower and situated on the former industrial site. Maaghof North and East will comprise residential floor space of 21 800 square metres, consisting of 137 rental apartments and 83 condominiums. The ground floors, with roughly 2 200 square metres of floor space, are reserved for social utilisation such as daycare centres and kindergartens, or commercial floor space. The subterranean garage will house 143 parking places. The building concept features an L-shaped complex, with a spacious park-like courtyard.
Project status	The building application was submitted in January 2011; the building authorisation was granted in August 2011 and legally went into effect in March 2012. The construction start date (deconstruction) was in July 2012. The laying of the cornerstone and topping-out ceremonies took place on 29.11.2012 and 14.05.2014, respectively. The construction activity is proceeding according to plan.
Occupancy rate ¹	Of the total 137 apartments and 10 commercial units, 90 apartments and 5 services units have been leased, while 18 apartments and 3 commercial units are reserved. Buildings E and F were ready for occupancy in December 2014. Buildings B, C and D will be ready for occupancy in spring 2015.
Sales status ¹	Purchase agreements have been concluded for 59 of 83 condominiums and 3 are reserved, with 4 commercial units sold. The transfer of ownership is scheduled for spring 2015 (buildings A and G).
Completion	Spring 2015

¹ occupancy rate and sales status as at 31.12.2014

23 OWNER-OCCUPIED PROPERTIES AND OWNER-OCCUPIED PROPERTIES UNDER CONSTRUCTION

Change in owner-occupied properties

in CHF 1 000	31.12.2013	31.12.2014
Owner-occupied properties as at 01.01.	332 867	732 032
Follow-up investments	1 998	2 230
Additions from acquisition of Tertium Group	422 450	–
Reclassifications into/from investment properties, net	–36 728	17 314
Transferred depreciation	–9 005	–11 850
Positive fair value adjustment	20 665	38 942
Negative fair value adjustment	–215	–12
Owner-occupied properties as at 31.12.	732 032	778 656

Summary of transferred depreciation and impairment

in CHF 1 000	31.12.2013	31.12.2014
Cumulative depreciation and impairment as at 01.01.	–	–
Depreciation	9 005	11 849
Impairment	119	1
Transferred depreciation and impairment	–9 124	–11 850
Cumulative depreciation and impairment as at 31.12.	–	–

Utilisation of owner-occupied properties

	31.12.2013	31.12.2014
Berlingen, Seestrasse 110 ¹	completely	completely
Berlingen, Seestrasse 83, 88, 101, 154 ¹	completely	completely
Frauenfeld, St. Gallerstrasse 30–30c ¹	completely	completely
Lucerne, Kreuzbuchstrasse 33/35 ¹	completely	completely
Meilen, Seestrasse 545 ¹	completely	completely
Olten, Frohburgstrasse 1	partly	partly
Ostermundigen, Mitteldorfstrasse 16 ¹	completely	completely
Pfäffikon/SZ, Huobstrasse 5 ¹	completely	completely
Thun, Göttibachweg 2–2a, 4, 6, 8 ¹	completely	completely
Wabern, Nesslerenweg 30 ¹	completely	completely
Zurich, Carl Spitteler-Strasse 68/70 ¹	completely	completely
Zurich, Jupiterstrasse 15/Böcklinstrasse 19 ¹	completely	completely
Zurich, Kappenbühlweg 9, 11/Holbrigstrasse 10/Regensdorferstrasse 18a ¹	completely	completely
Zurich, Restelbergstrasse 108 ¹	completely	completely
Zurich, Seidengasse 1/Jelmoli – The House of Brands	partly	partly

¹ acquisition of Tertium Group as at 12.07.2013

Fair values of the owner-occupied properties were all classified as hierarchy level 3, based on the input factors of the applied valuation technique (see Note 2.3 «Valuations and assumptions»). Further information on fair value measurement is provided in Note 22 «Investment properties». The relevant dates of the revaluation were 30.06. and 31.12.

Reclassification of investment properties into owner-occupied properties and vice-versa is implemented on a semi-annual basis by means of using the current rent tables. If the owner-occupied properties had been valued according to the historical cost model, the book value would have been CHF 718.652 million [CHF 714.560 million] as at the balance sheet date. Transferred depreciation was based on the cumulative depreciation as at the revaluation date, which was eliminated against the gross book value of the revalued owner-occupied properties.

Owner-occupied properties were valued according to the discounted cash flow (DCF) method by the independent valuation expert Wüest & Partner AG, Zurich, based on regular (semi-annual) fair value appraisals. The applied real discount rate hovered in a range between 3.2% and 5.0% [3.6% and 5.0%] on the balance sheet date. These valuations were based on market prices of recently executed transactions.

Fire insurance values of owner-occupied properties amounted to CHF 510.719 million [CHF 509.349 million]. Rental income from owner-occupied properties totalled CHF 41.889 million [CHF 29.379 million].

Owner-occupied properties under construction

in CHF 1 000	31.12.2013	31.12.2014
Owner-occupied properties under construction as at 01.01.	–	12 360
Additions from acquisition of Tertianum AG	7 902	–
Additions	4 428	43 246
Capitalised borrowing costs	59	513
Positive fair value adjustment	–	42
Negative fair value adjustment	–29	–3 271
Owner-occupied properties under construction as at 31.12.	12 360	52 890

Summary of transferred depreciation and impairment

in CHF 1 000	31.12.2013	31.12.2014
Cumulative depreciation and impairment as at 01.01.	–	–
Impairment	29	3 271
Transferred depreciation and impairment	–29	–3 271
Cumulative depreciation and impairment as at 31.12.	–	–

The Bubenholz building project located at Müllackerstrasse in Opfikon as well as the building project located at Via San Gottardo 99–99b in Bellinzona have been classified as owner-occupied properties under construction. Following the end of the construction phase, the properties will be utilised in the Assisted Living segment. The fair value of owner-occupied properties under construction is allocated based on the applicable input factors of the level 3 hierarchy.

If these particular owner-occupied properties under construction had been valued according to the historical cost model, the book value would have been CHF 56.109 million [CHF 12.350 million] as at the balance sheet date.

The relevant fire insurance values of these properties amounted to CHF 56.109 million [CHF 12.360 million].

Project details

Bellinzona, Via San Gottardo 99–99b	
Project description	A three-building complex comprising a total of 71 apartments (1½, 2½ and 3½ room units) and a geriatric care facility with 30 beds – as well as a bistro, a multi-purpose room and three doctor offices – is being constructed at Via San Gottardo, on the property spanning 7 115 square metres located near the railway station and Bellinzona North expressway exit. Tertianum Group, which will operate the building complex as owner-occupied property, offers the broad middle class a new form of living for seniors with its Vitadomo brand.
Project status	Construction activity kicked off with laying the sewage system at end-May 2014. The laying of the cornerstone took place on 29.09.2014. Excavation and construction of the sewage system have been completed and the builders have commenced the shell construction. The floor plates and elevator foundations have been constructed with concrete, and parts of the concrete walls and supports set up in the subterranean level. Similar to other construction sites, the project in Bellinzona was also affected by heavy rains in Ticino, but without any significant damage.
Occupancy rate ¹	The entire building complex is leased to Vitadomo AG as at 01.04.2016.
Completion	31.03.2016
Opfikon, Müllackerstrasse 2,4/Bubenholz	
Project description	The Bubenholz assisted living project comprises 59 apartments with 1½, 2½ and 3½ rooms as well as geriatric care facility with 43 rooms. The construction project encompasses roughly 10 800 square metres of floor space divided in a three- and an eight-storey building, with a one-storey connecting tract. In addition to 32 parking places in the subterranean garage, the ground floor features a bistro, multi-purpose rooms, about 100 square metres of commercial floor space and a hair salon.
Project status	Construction activity began in April 2013. The laying of the cornerstone took place on 29.10.2013, and the topping-out ceremony was held on 18.07.2014. The interior design work for the apartments, geriatric care rooms and multi-purpose rooms is proceeding according to plan.
Occupancy rate ¹	The entire building is leased to Vitadomo AG, which will operate the property under the Vitadomo brand. Leasing of the individual apartments began in November 2013, with 37 of 59 units leased.
Completion	31.03.2015

¹ occupancy rate as at 31.12.2014

24 TANGIBLE ASSETS

in CHF 1 000	Equipment	Furniture/ tenants' improve- ments	31.12.2014 Total
Cost as at 01.01.2014	3 862	87 257	91 119
Additions	2 829	8 007	10 836
Disposals	–	– 16	– 16
Reduction due to sale of Permed AG	–	– 2 408	– 2 408
Cost as at 31.12.2014	6 691	92 840	99 531
Cumulative depreciation and impairment as at 01.01.2014	89	37 154	37 243
Depreciation	558	12 436	12 994
Disposals	–	– 9	– 9
Reduction due to sale of Permed AG	–	– 2 173	– 2 173
Cumulative depreciation and impairment as at 31.12.2014	647	47 408	48 055
Total tangible assets as at 31.12.2014	6 044	45 432	51 476

in CHF 1 000	Equipment	Furniture/ tenants' improve- ments	31.12.2013 Total
Cost as at 01.01.2013	–	70 004	70 004
Additions	2 446	9 921	12 367
Additions from the acquisition of Tertianum AG	1 416	7 332	8 748
Cost as at 31.12.2013	3 862	87 257	91 119
Cumulative depreciation and impairment as at 01.01.2013	–	25 556	25 556
Depreciation	89	11 598	11 687
Cumulative depreciation and impairment as at 31.12.2013	89	37 154	37 243
Total tangible assets as at 31.12.2013	3 773	50 103	53 876

25 GOODWILL AND INTANGIBLE ASSETS

in CHF 1 000	Goodwill	Software	Customer base	Brand names	31.12.2014 Total
Cost as at 01.01.2014	167 775	9 035	29 630	53 397	259 837
Additions	–	3 924	–	–	3 924
Reduction due to sale of Permed AG	–1 464	–	–	–1 491	–2 955
Cost as at 31.12.2014	166 311	12 959	29 630	51 906	260 806
Cumulative amortisation and impairment as at 01.01.2014	–	4 349	5 077	–	9 426
Amortisation	–	3 651	3 326	–	6 977
Cumulative amortisation and impairment as at 31.12.2014	–	8 000	8 403	–	16 403
Total intangible assets as at 31.12.2014	166 311	4 959	21 227	51 906	244 403

in CHF 1 000	Goodwill	Software	Customer base	Brand names	31.12.2013 Total
Cost as at 01.01.2013	123 378	7 365	26 000	27 192	183 935
Additions	–	1 670	–	–	1 670
Additions from the acquisition of Tertium AG	44 477	–	3 630	26 205	74 312
Reduction due to sale of operating business of hotel Ramada Encore	–80	–	–	–	–80
Cost as at 31.12.2013	167 775	9 035	29 630	53 397	259 837
Cumulative amortisation and impairment as at 01.01.2013	–	1 509	2 114	–	3 623
Amortisation	–	2 840	2 963	–	5 803
Cumulative amortisation and impairment as at 31.12.2013	–	4 349	5 077	–	9 426
Total intangible assets as at 31.12.2013	167 775	4 686	24 553	53 397	250 411

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 that correspond to the operating segments.

Goodwill

in CHF 1 000	31.12.2013	31.12.2014
Real Estate segment	87 368	87 368
Retail and Gastronomy segment	35 930	35 930
Assisted Living segment	44 477	43 013
Total goodwill	167 775	166 311

The Real Estate, Retail and Gastronomy, and Assisted Living segments each constitute an operating segment. The amount to be realised by the cash-generating units was based on value in use.

Value in use was based on the following underlying key assumptions:

- > Taking into consideration past experience, cash flows were based on a business plan for the forthcoming four years. A constant growth rate of 1.0% was used for cash flows of the detailed horizon of the subsequent periods for the Real Estate segment, while a relevant constant growth rate of 1.5% was used for the Retail and Gastronomy segment as well as Assisted Living segment.
- > A pre-tax discount rate of 9.8% [8.3%] was applied for the goodwill in the Real Estate segment, while the relevant rates applied to the goodwill in the Retail and Gastronomy segment as well as Assisted Living segments were 9.3% [9.4%] and 6.4% [7.4%], respectively.

In the opinion of the Executive Board, no other realistically expected, possible changes in the designated key assumptions could lead to a situation in which the book value of goodwill would exceed the relevant realisable amount as at the balance sheet date. The impairment tests were carried out in the fourth quarter of 2014.

Goodwill was reduced by CHF 1.464 million as a result of the divestment of Permed AG, Zurich.

Brand names

in CHF 1 000	31.12.2013	31.12.2014
Real Estate segment	4 395	4 395
Retail and Gastronomy segment	22 797	22 797
Assisted Living segment	26 205	24 714
Total brand names	53 397	51 906

The useful life of the brand names acquired in connection with the acquisition of Jelmoli Group (Jelmoli including The House of Brands) (Retail and Gastronomy segment), Wincasa AG (Real Estate segment) and Tertianum AG (Assisted Living segment) were regarded as indefinite because there are absolutely no plans for rebranding.

For valuation of the brands, the so-called relief from royalty method was applied through deriving a value that would have to be paid to a third-party user for the use of the brands. Licensing fees in line with those paid among third parties served as a standard for the basis of the valuation.

The underlying key assumptions for the impairment test for the brand name Jelmoli, including The House of Brands, conducted at 31.12.2014 by means of the so-called relief from royalty method, included a pre-tax discount rate of 9.7% [9.6%] as well as net licensing fee of 1.3% [1.3%]. The relevant valuation of the Wincasa brand was derived with a pre-tax discount rate of 9.7% [7.3%] and net licensing fee of 0.5% [0.5%]. The relevant valuation of the Tertianum brand was derived with a pre-tax discount rate of 9.4% [10.3%] and net licensing fee of 1.1% [1.1%]. The values assigned to the key assumptions have been derived from industry-specific values from companies in the retail trade, real estate management and senior housing sectors.

Based on the impairment tests, there was no need for any impairment as at end 2014. Due to the nature of the valuation method, sales development contrary to expectations would directly lead to value impairment.

Brand names were reduced by CHF 1.491 million as a result of the divestment of Permed AG, Zurich.

26 CURRENT LIABILITIES

Accounts payable comprised mainly liabilities from ancillary cost accounts, property expense and commercial invoices, as well as liabilities from the Assisted Living segment.

The breakdown of accrued expenses and deferred income was as follows:

in CHF 1 000	31.12.2013	31.12.2014
Renovation and project costs	68 544	58 200
Costs of goods sold	3 933	15 570
Other operating expenses	37 889	28 130
Interests	1 282	–
Total accrued expenses and deferred income	111 648	101 900

27 FINANCIAL LIABILITIES

in CHF 1 000	31.12.2013	31.12.2014
Mortgage-backed loans	1 089 639	486 500
Convertible bonds	–	227 800
Total current financial liabilities	1 089 639	714 300
Mortgage-backed loans	3 184 994	3 120 824
Convertible bonds	437 234	188 821
Bonds	343 637	939 784
Non-current loans	–	2 093
Total non-current financial liabilities	3 965 865	4 251 522
Other non-current financial liabilities	11 173	9 484
Total financial liabilities	5 066 677	4 975 306

Non-current financial liabilities of CHF 714.300 million [CHF 1 089.639 million] consisted of loans secured by real estate and a convertible bond of CHF 227.800 million that was due for redemption on 20.01.2015 and recognised on the balance sheet as non-current financial liabilities as at 31.12.2013. A short-term loan amounting to CHF 419.700 million was borrowed for financing the withholding tax to the Swiss Federal Tax Administration (FTA) in the previous year, which was repaid on 10.01.2014.

Non-current financial liabilities of CHF 4 251.522 million [CHF 3 965.865 million] were recognised on the balance sheet 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. The contractual limits were complied with by the Company and are continually monitored.

To secure the financial liabilities, various credit line agreements were concluded under market conditions (at arm's length), both with third-party banks and with related banks. Within the scope of the general credit lines, the 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 credit lines or individual loans, redemption of existing loans and refinancing are carried out continuously on the basis of the liquidity plan.

As at the balance sheet date, the loan-to-value ratio of the entire real estate portfolio was 50.7% [54.1%].

Bonds

		CHF m 115 2018	CHF m 200 2019	CHF m 230 2020	CHF m 300 2021	CHF m 100 2024
Issuing volume, nominal	CHF m	115.000	200.000	230.000	300.000	100.000
Book value as at 31.12.2014	CHF m	114.645	198.787	229.226	297.954	99.172
Book value as at 31.12.2013	CHF m	114.545	–	229.093	–	–
Interest rate	%	1.125	1.0	2.0	1.75	2.0
Term to maturity	Years	5	5	7	7	10
Maturity	Date	11.07.2018	10.12.2019	21.10.2020	16.04.2021	10.12.2024
Securities number		21 564 566 (SPS13)	25 704 216 (SPS141)	21 565 073 (SPS131)	23 427 449 (SPS14)	25 704 217 (SPS142)
Fair value as at 31.12.2014 (level 1)	CHF m	116.783	203.700	242.420	309.600	102.750
Fair value as at 31.12.2013 (level 1)	CHF m	115.978	–	233.105	–	–

The bonds will be redeemed at their nominal value.

Convertible bonds

		CHF m 300 2015	CHF m 190.35 2016
Issuing volume, nominal	CHF m	300.000	190.350
Nominal value as at 31.12.2014	CHF m	229.120	190.350
Book value as at 31.12.2014	CHF m	227.800	188.821
Book value as at 31.12.2013	CHF m	249.182	188.052
Conversion price	CHF	70.97	82.89
Interest rate	%	1.875	1.875
Term to maturity	Years	5	5
Maturity	Date	20.01.2015	21.06.2016
Securities number		10 877 415 (SPS10)	13 119 623 (SPS11)
Fair value as at 31.12.2014 (level 1)	CHF m	230.953	194.538
Fair value as at 31.12.2013 (level 1)	CHF m	261.973	195.870

In 2014, conversions took place with a volume amounting to nominal CHF 22.535 million [CHF 34.880 million], resulting in an increase in share capital of CHF 4.858 million [CHF 7.519 million], or 317 521 [491 470] registered shares, and addition to capital reserves of CHF 17.298 million [CHF 26.557 million].

No conversions have taken place to date for the CHF 190.350 million convertible bond.

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 – i.e. premature redemption option under certain preconditions (clean-up call and issuer call) – as well as the put option granted under certain preconditions (delisting of shares put) are contained within the borrowed capital component and are not recognised separately.

More information regarding non-current financial liabilities can be found in Note 37 «Financial instruments and financial risk management».

Conversion price and number of possible shares given 100% conversion

	31.12.2013 Conversion price in CHF	31.12.2013 Number of possible shares	31.12.2014 Conversion price in CHF	31.12.2014 Number of possible shares
Convertible bonds				
1.875%-convertible bond, 20.01.2010–20.01.2015, CHF 229.120 million [CHF 251.655 million] (issuing volume CHF 300.000 million)	70.97	3 545 935	70.97	3 228 406
1.875%-convertible bond, 21.06.2011–21.06.2016, CHF 190.350 million	82.89	2 296 417	82.89	2 296 417
Total number of possible shares		5 842 352		5 524 823

28 DEFERRED TAX LIABILITIES

in CHF 1 000	31.12.2013	31.12.2014
Deferred tax liabilities as at 01.01.	805 406	891 872
Additions due to acquisition of Tertium Group	14 490	–
Increase due to acquisition of a majority shareholding	–	247
Reduction due to sale of Permed AG	–	–245
Increase through depreciation/revaluation, net, recognised in income statement	79 689	69 051
Increase through depreciation/revaluation, net, recognised in other comprehensive income	10 335	11 499
Decrease through property disposals	–16 201	–3 886
Provisions and other liabilities	931	–3 950
Tax rate changes and reductions from duration of ownership deductions	–2 778	–1 176
Total deferred tax liabilities as at 31.12.	891 872	963 412

Deferred tax liabilities resulted from differences in valuation between statutory financial statements and financial statements according to IFRS standards. They resulted particularly from revaluations and statutory depreciation of investment properties and owner-occupied properties. Conversely, deferred tax liabilities decreased upon disposals of the properties.

The calculation of deferred taxes on real estate assets was 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 have been roughly 3% higher; given a reduction of the holding period to 10 years, deferred tax liabilities would have been around 5% higher.

Information about the status and changes in revaluations can be found in Notes 6 «Revaluation of investment properties, properties under construction and development sites», 22 «Investment properties» and 23 «Owner-occupied properties and owner-occupied properties under construction». Note 13 «Income taxes», explains the calculation of the deferred taxes.

29 SHAREHOLDERS' EQUITY

Shareholders' equity

	Number of registered shares issued	Nominal value in CHF	Share capital in CHF 1 000
Share capital as at 01.01.2013	60 011 611	15.30	918 178
Conversions from February to April 2013	491 470	15.30	7 519
Share capital as at 31.12.2013	60 503 081	15.30	925 697
Conversions from November to Dezember 2014	317 521	15.30	4 858
Total share capital as at 31.12.2014	60 820 602	15.30	930 555

The 2 682 [18 916] treasury shares held at 31.12.2014 were not entitled to dividends. At the balance sheet date, the dividend-entitled share capital of CHF 930.514 million [CHF 925.408 million] therefore comprised 60 817 920 [60 484 165] shares.

Authorised capital

	Number of registered shares	Nominal value in CHF	in CHF 1 000
Authorised capital as at 01.01.2013	4 544 399	15.30	69 529
Authorised capital as at 31.12.2013	–	–	–
Approval of increase by Annual General Meeting of 15.04.2014	6 000 000	15.30	91 800
Total authorised capital as at 31.12.2014	6 000 000	15.30	91 800

The Board of Directors is authorised to increase the share capital to the extent mentioned above at any time until 15.04.2016.

Conditional capital

	Number of registered shares	Nominal value in CHF	in CHF 1 000
Conditional capital as at 01.01.2013	7 812 704	15.30	119 534
Conversions from February to April 2013	– 491 470	15.30	– 7 519
Conditional capital as at 31.12.2013	7 321 234	15.30	112 015
Conversions from November to Dezember 2014	– 317 521	15.30	– 4 858
Total conditional capital as at 31.12.2014¹	7 003 713	15.30	107 157

¹ of which for options and/or conversion rights CHF 84.054 million respectively 5 493 713 shares [CHF 88.912 million respectively 5 811 234 shares];
of which for option rights granted to shareholders CHF 23.103 million respectively 1 510 000 shares [CHF 23.103 million respectively 1 510 000 shares]

The precise wording can be found in the Company's Articles of Association. In 2014, convertible bonds with a volume amounting to nominal CHF 22.535 million [CHF 34.880 million] were converted to shareholders' equity. Further relevant information can be found in Notes 30 «Key figures per share» and 27 «Financial liabilities».

Capital reserves

	in CHF 1 000
Capital reserves as at 01.01.2013	1 172 692
Distribution from capital contribution reserves on 24.04.2013	- 217 794
Conversions of 6 976 units of the CHF 300 million convertible bond into 491 470 registered shares	26 557
Share-based compensation, 8 837 shares	589
Purchase of treasury shares, 25 000 shares	- 1 717
Sale of treasury shares, 2 075 shares	139
Capital reserves as at 31.12.2013	980 466
Distribution from capital contribution reserves on 25.04.2014	- 217 801
Conversions of 4 507 units of the CHF 300 million convertible bond into 317 521 registered shares	17 298
Share-based compensation, 26 234 shares	1 896
Purchase of treasury shares, 10 000 shares	- 736
Total capital reserves as at 31.12.2014	781 123

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

Revaluation reserves

	in CHF 1 000
Revaluation reserves as at 01.01.2013	26 948
Revaluation of owner-occupied properties	20 569
Deferred taxes on revaluation of owner-occupied properties	- 4 731
Revaluation reserves as at 31.12.2013	42 786
Revaluation of owner-occupied properties	38 972
Deferred taxes on revaluation of owner-occupied properties	- 8 966
Total revaluation reserves as at 31.12.2014	72 792

Revaluation reserves are not available to the Company shareholders.

Retained earnings

	in CHF 1 000
Retained earnings as at 01.01.2013	1 796 077
Profit	343 869
Remeasurement of net defined benefit obligations	24 054
Deferred taxes on remeasurement of net defined benefit obligations	- 5 604
Retained earnings as at 31.12.2013	2 158 396
Profit	285 763
Remeasurement of net defined benefit obligations	- 36 828
Deferred taxes on remeasurement of net defined benefit obligations	8 404
Total retained earnings as at 31.12.2014	2 415 735

Retained earnings are derived from earnings retained since the foundation of the Company as well as from cumulative remeasurements of net defined benefit obligations.

Non-controlling interests

in CHF 1 000

Non-controlling interests as at 01.01.2013	–
Non-controlling interests as at 31.12.2013	–
Increase to a majority shareholding with non-controlling interests	701
Comprehensive income, attributable to non-controlling interests	895
Total non-controlling interests as at 31.12.2014	1 596
Total shareholders' equity as at 31.12.2014, in CHF 1 000	4 201 801
Total shareholders' equity as at 31.12.2014, in CHF 1 000	4 107 345

DISTRIBUTIONS

The share capital on which the distribution was based consisted of 60 500 314 shares. The distribution from capital contribution reserves amounting to CHF 217 801 million was carried out on 25.04.2014.

The Annual General Meeting of 15.04.2014 passed the following resolutions:
distribution from capital contribution reserves of CHF 3.60 per share

30 KEY FIGURES PER SHARE

The profit used to calculate earnings per share or diluted earnings per share was the reported profit attributable to shareholders of Swiss Prime Site AG.

Weighted average number of shares

	01.01.– 31.12.2013	01.01.– 31.12.2014
Shares issued as at 01.01.	60 011 611	60 503 081
Weighted number of shares issued on conversions	363 057	16 028
Average number of treasury shares (360 days)	– 5 847	– 6 458
Total weighted average number of shares 01.01.–31.12. (360 days)	60 368 821	60 512 651
Weighted number of shares issued on conversions	– 363 057	– 16 028
Effective number of converted shares	491 470	317 521
Highest possible number of shares that can be issued on conversions	5 842 352	5 524 823
Basis for calculating the diluted earnings per share	66 339 586	66 338 967

Basis for calculation of diluted earnings per share

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Profit attributable to shareholders of Swiss Prime Site AG	343 869	285 763
Interests on convertible bonds, amortisation of proportional costs and tax effects	10 156	6 118
Relevant profit for calculation of diluted earnings per share	354 025	291 881

Weighted average earnings and NAV per share

in CHF 1	01.01.– 31.12.2013	01.01.– 31.12.2014
Earnings per share, weighted	5.70	4.72
Diluted earnings per share, weighted	5.34	4.40
Shareholders' equity per share (NAV) before deferred taxes ¹	82.65	84.77
Shareholders' equity per share (NAV) after deferred taxes ¹	67.91	69.06

¹ Non-controlling interests recognised in shareholders' equity were not included in the calculation of the NAV.

31 FUTURE OBLIGATIONS AND CONTINGENT LIABILITIES

in CHF 1 000	31.12.2013	31.12.2014
2014	201 923	–
2015	18 899	73 197
2016	–	8 290
2017	–	400
Total future obligations based on total contractor agreements	220 822	81 887

Swiss Prime Site concluded agreements with various total contractors for the construction of new and modified buildings within the scope of new construction activities as well as restructuring and renovation of existing properties. The due dates for the respective residual payments for these total contractor agreements are shown in the table above. The relevant properties were as follows:

Properties	Planned completion	31.12.2013 Outstanding payments in CHF 1 000	31.12.2014 Outstanding payments in CHF 1 000
Basel, Hochbergerstrasse 60a	2015	4 528	980
Bellinzona, Via San Gottardo 99–99b	2016	–	20 700
Berne, Wankdorffallee 4/Swiss Post headquarters/Majowa	2014	63 736	4 616
Berne, Weltpoststrasse 5/Murifeld	2015	11 607	3 189
Grand-Lancy, Route des Jeunes 10/CCL La Praille	2014	2 839	212
Neuchâtel, Rue du Temple-Neuf 14	2014	10 660	413
Rümlang, Hofwisenstrasse 50	2014	630	–
Zurich, Brandschenkestrasse (Motel One)	2017	–	7 755
Zurich, Flurstrasse 55/Flurpark	2015	50 414	15 466
Zurich, Hagenholzstrasse 60/SkyKey	2014	14 835	4 919
Zurich, Maaghof North and East	2015	61 573	23 637
Total outstanding payments/future obligations		220 822	81 887

OPERATING LEASE AGREEMENTS

As at the balance sheet date, the following future obligations relating to land lease payments, leasing of office equipment as well as renting office, retail and residential floor space as well as owner-occupied properties in the assisted living sector were in effect:

in CHF 1 000	31.12.2013	31.12.2014
Lease expenses up to 1 year	37 367	33 693
Lease expenses from 1 year up to 5 years	86 619	74 894
Lease expenses over 5 years	372 262	363 366
Total future lease expenses	496 248	471 954

In the reporting period, CHF 35.582 million [CHF 22.626 million] real estate costs and land lease payments were recognised as well as CHF 0.871 million [CHF 0.833 million] lease expenses for the rental of office equipment was recognised in other operating expenses. The increase in real estate costs was attributable primarily to additional leasing of owner-occupied properties in the Assisted Living segment.

CONTINGENT LIABILITIES

Since end 2013, there was a contingent liability related to an unresolved difference of opinion with the Swiss Federal Tax Administration (FTA) in connection with its claim for interest on arrears. This claim is linked to the reporting procedure surrounding withholding tax on dividend distributions within the Group. Notwithstanding what we view as proper and timely reporting of the distributions in 2012, four subsidiaries received requests for effective payment of the withholding tax and interest on arrears towards the end of 2013 and beginning of 2014 (see Note 13 «Income taxes»). Due to the risk of substantial interest on arrears, Swiss Prime Site paid the withholding tax on 24.12.2013 as a precautionary measure. This amount was subsequently reimbursed by the FTA on 10.01.2014.

Swiss Prime Site objected to the decision that was issued by the FTA. Based on a legal opinion, the Company believes that there are no legitimate or legal grounds for either the subsequent imposition of withholding taxes or the obligation to effect payment of interest on arrears. Although Swiss Prime Site is convinced that its actions are appropriate and is attempting to legally assert its point of view, a litigation risk exists. According to internal calculations, the interest on arrears would amount to maximum CHF 25.0 million in the case that a final decision in favour of the FTA is taken. Since the outcome of the dispute is still uncertain and the extent of the amounts to be ultimately paid in case of a negative outcome cannot be reliably determined at present due to the various possible outcome scenarios, no provision was considered necessary in accordance with IAS 37.

There were no other contingent liabilities at the balance sheet date, neither securities nor guarantees.

32 PLEDGED ASSETS

in CHF 1 000	31.12.2013	31.12.2014
Fair value of affected investment properties	8 276 914	8 378 215
Fair value of affected owner-occupied properties	510 715	609 266
Nominal value of pledged mortgage notes	4 836 824	5 032 102
Current claim (nominal)	4 271 170	3 605 500

33 TRANSACTIONS WITH RELATED PARTIES

Related parties are regarded as the Board of Directors, the Executive Board, the subsidiaries and the pension fund foundations of the Group, the associated companies and their subsidiaries.

BOARD OF DIRECTORS AND EXECUTIVE BOARD

Disclosure of the following fixed compensation to members of the Board of Directors and the fixed and variable compensation to the Executive Board was based on the accrual principle (i.e. recognised in the relevant period, regardless of cash flow).

The compensation paid to the Board of Directors as well as the variable compensation paid to the Executive Board and members of management employed by Swiss Prime Site Group AG are effected at 50% in the form of Swiss Prime Site AG shares. For the other members of the Executive Board, drawing shares of up to 25% of the variable compensation is optional. The corresponding expense was recognised as share-based compensation. The number of Swiss Prime Site AG shares granted to the members of the Board of Directors was determined using the closing price as at the end of the previous year (or as at the beginning of the financial year) of CHF 69.05 [CHF 76.35], less 10% discount to CHF 62.15 [CHF 68.72]. The share-based compensation was debited with the relevant amount of shares with a fair value of CHF 73.30 [CHF 66.70]. The shares are subject to blocking periods of four and three years for members of the Board of Directors and Executive Board, respectively.

Compensation to the Board of Directors and the Executive Board

in CHF 1 000	2013	2014
Fixed compensation in cash, gross	4 287	4 844
Variable compensation in cash, gross	985	1 140
Share-based variable compensation ¹	1 275	1 401
Termination benefits ²	–	1 500
Other compensation components ²	59	64
AVS/invalidity insurance contributions	382	605
Other social security contributions	472	492
Total compensation to the Board of Directors and the Executive Board	7 460	10 046
Expense allowance	77	99

¹ The shares are subject to blocking for four years (Board of Directors) respectively three years (Executive Board).

² including AVS/invalidity insurance contributions and other social security contributions of CHF 0.397 million

Options

There were no outstanding or allocated options as at the balance sheet date.

Additional fees and compensation

No additional fees and compensation were paid.

Loans to members of governing bodies

There were no outstanding loans to governing bodies as at the balance sheet date.

Other related parties

There were existing current accounts receivable relative to various pension funds and the SPS and Jelmoli welfare foundation of CHF 0.375 million [CHF 0.641 million], as well as current accounts payable of CHF 1.291 million [CHF 0.823 million]. An amount of CHF 0.076 million [CHF 0.052 million] was settled with the SPS and Jelmoli welfare foundation for services.

There were no additional transactions with other related parties carried out either in the reporting period or previous period.

34 SUBSIDIARIES AND ASSOCIATES

Fully consolidated investments in subsidiaries (direct or indirect)

		31.12.2013		31.12.2014	
		Share capital	Shareholding	Share capital	Shareholding
		in CHF 1 000	in %	in CHF 1 000	in %
Purpose					
Clouds Gastro AG, Zurich	Restaurant business	500	100.0	500	100.0
Ensemble artisanal et commercial de Riantbosson S.A., Frauenfeld ⁸	Real estate company	n/a	n/a	1 000	57.4
GLPH SA, Lancy ¹	Real estate company	100	100.0	–	–
Jelmoli AG, Zurich	Retail company	6 600	100.0	6 600	100.0
Perlavita AG, Zurich ²	Services provider in the residential sector, particularly assisted living	100	100.0	100	100.0
Perlavita Rosenau AG, Kirchberg ²	Operation of private senior residence and care facility with related services	300	100.0	300	100.0
Permed AG, Zurich ³	Personnel services provider in healthcare industry	100	100.0	–	–
SPS Beteiligungen Alpha AG, Olten	Investment company	650 000	100.0	650 000	100.0
SPS Beteiligungen Beta AG, Olten	Investment company	450 000	100.0	450 000	100.0
SPS Beteiligungen Gamma AG, Olten	Investment company	300 000	100.0	300 000	100.0
SPS Immobilien AG, Olten	Real estate company	50 000	100.0	50 000	100.0
Swiss Prime Site Fund Advisory AG II ⁴	Management, administration and general partner of a collective investment scheme	–	–	100	100.0
Swiss Prime Site Group AG, Olten ⁵	Services company	100	100.0	100	100.0
Tertianum AG, Zurich ²	Services provider in the residential sector, particularly assisted living	9 562	100.0	9 562	100.0
Tertianum Ticino SA, Muralto ⁶	Management of senior residences	100	100.0	–	–
Vitadomo AG, Zurich ⁷	Services provider in the residential sector, particularly assisted living	–	–	100	100.0
Wincasa AG, Winterthur	Real estate services company	1 500	100.0	1 500	100.0

¹ operating business was sold end of 2013; merged with SPS Immobilien AG as at 30.06.2014

² acquired as at 12.07.2013

³ acquired as at 12.07.2013, sold as at 17.03.2014

⁴ founded as at 28.03.2014

⁵ founded as at 25.11.2013

⁶ acquired as at 12.07.2013; merged with Tertianum AG as at 01.01.2014

⁷ founded as at 05.11.2014

⁸ increase to a majority shareholding of 57.4% and full consolidation

Investments in associates valued according to the equity method

		31.12.2013		31.12.2014	
	Purpose	Share capital in CHF 1 000	Shareholding in %	Share capital in CHF 1 000	Shareholding in %
Ensemble artisanal et commercial de Riantbosson S.A., Frauenfeld	Real estate company	1 000	31.0	n/a	n/a
Parkgest Holding SA, Geneva	Parking	4 750	38.8	4 750	38.8
Parking Riponne S.A., Lausanne	Parking	5 160	27.1	5 160	27.1

35 MAJOR SHAREHOLDERS

	31.12.2013	31.12.2014
Major shareholders (shareholding interest > 3.0%)	Shareholding interest in % ¹	Shareholding interest in % ¹
Credit Suisse Funds AG, Zurich	5.3	4.5
BlackRock Investment Management (UK) Ltd, London	5.1	5.0
State Street Corporation, Boston	3.1	4.9

¹ according to entry in the register of shareholders or the notifications received by the Company

36 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 mitigated well in advance, and that there is always an adequate balance between return and risk.

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

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

The Executive Board and Board of Directors are accordingly informed regularly – at least on a quarterly basis – regarding the risk situation.

Swiss Prime Site has divided the risk management process into the following sub-processes:

- > identifying risks
- > valuating risks
- > determining risk strategy
- > implementing risk strategy
- > managing risks

The responsibility is assigned to the various entities of the Company such as the Board of Directors and Executive Board, etc.

RISK TYPES

Swiss Prime Site's businesses are subject to specific risks that can be divided into the following categories (list is not exhaustive):

- > real estate-specific risks
- > risks associated with construction activities
- > market risk and diversification
- > valuation risks
- > restricted purchase/sale opportunities for real estate
- > risks associated with the real estate services business
- > retail-business-specific risks
- > risks associated with the assisted living sector
- > regulatory and fiscal risks
- > risks associated with litigation
- > environmental risks and risks associated with contamination
- > company-specific operational risks
- > credit risk (Note 37)
- > refinancing and liquidity risks (Note 37)

General economic development and structural changes are decisive factors for determining 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 vacancy risks. The financial markets have an effect through financing costs, fundraising opportunities and investors' expectations for returns. Swiss Prime Site considers all operational risks and the risk of losing key-skilled specialists or managers as company-specific risks.

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

REAL-ESTATE-SPECIFIC RISKS

Normal real estate risks are covered by appropriate insurance policies.

When acquiring any property, Swiss Prime Site examines the environmental risks and risks related to contamination. If there are any identifiable environmentally relevant problems, either the expected costs are factored into 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 costs or termination of the project
- > incurred higher-than-expected construction costs, under certain circumstances also possibly related to construction defects
- > failure of the company engaged (usually the general contractor) to fulfil performance of the relevant services, or insolvency on the part of that company
- > inability to find a suitable tenant 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 especially monitored during the individual construction phases, among others, with the involvement of external building owner trustees that exercise strict control over the project.

MARKET RISK AND DIVERSIFICATION

In order to diversify risks, Swiss Prime Site invests in office and retail properties as well as owner-occupied properties in the assisted living sector in prime locations, assigning importance to a diversified tenant structure and good credit ratings on the part of the tenants.

The focal point is directed at broadly diversified types of utilisation, as well as 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 enhanced, through targeted modernisation and improvement investments. Active management ensures an excellent administrative service that checks and monitors tenant credit ratings, as well as provides a balanced profile of tenancy renewal dates.

The following guidelines apply to the diversification of investment risks:

- > net target rent of one tenant group should amount to a maximum of 25% of the total target rental income
- > fair value of an individual property should amount to a maximum of 20% of the total portfolio value
- > share of new construction projects should amount to a maximum of 25% of the total portfolio value
- > proportion of residential properties (excluding residential space required by law) should amount to a maximum of 20% of the total investment volume
- > 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 on a semi-annual basis (properties under construction/development properties on a quarterly basis) by an external, independent appraisal company according to the fair value principle. The valuation is based on international standards using the discounted cash flow method.

RISKS ASSOCIATED WITH THE REAL ESTATE SERVICES BUSINESS

Wincasa AG, the subsidiary active in the real estate services business, perceives efficient and foresighted risk management as a value-creating, value-securing key responsibility, which is primarily assumed by its management team. The objective of risk management is based on examining strategies and operating activities according to opportunities and threats, assessing the identified risks, controlling these risks with appropriate measures and therefore providing a significant contribution to the continuity and successful development of the company. At the same time, the focal point is directed at adequately mitigating any relevant potential losses, as well as consciously seizing opportunities.

Risk management is centrally controlled, decentrally executed and methodically oriented toward the internationally recognised ISO 31000 risk standard. Management of strategic risks is focused on the activities and development of the business segments as well as on major investment projects. Management of operational risks additionally comprises the processes and extends to safeguarding assets (internal control system, ICS) and security of the workplace, IT and facilities. Business continuity management (BCM) – for events that seldom materialise, albeit with significant potential for losses – is also an integral component of risk management.

The greatest risks currently emanate particularly from the still-impending optimisation of the client structure, stepped-up competition and changing procurement policy on the part of existing clients disbursed among several providers. All the relevant risks are described in detail in the internal risk

model, assessed according to predefined risk criteria regarding the potential loss and probability of occurrence and provided with adequate risk-surmounting measures.

Risk monitoring, as an integral component of the risk management process, is carried out on an on-going basis by the responsible risk owner from the executive board and via direct reports to the chief executive officer, chief risk officer and independent risk and audit committee (RAC).

RETAIL-BUSINESS-SPECIFIC RISKS

The retail business – particularly represented by Jelmoli –The House of Brands – is subject to inherent business risks associated with potential losses resulting from fluctuations in prices, interest rates and currencies. Additional risks include counterparty risks, liquidity risks and the growing significance of online trading. Risk management forms an integral part of the management and controlling system, comprising the identification, assessment and acceptance of risks (limits), finding solutions for risks, determining and addressing risks, monitoring and reporting risks as well as periodic supervision of the risk management process. The board of directors and executive board define the risk strategy and risk policy, while designated responsible top executives review their implementation.

The risk model is divided into two categories: strategic and functional risks. The focus of managing strategic risks is directed at the external perception of the company, fulfilment of statutory requirements and the success of the business model, which are monitored and addressed by the board of directors. Managing functional risks involves the operating business activities and support function of the organisation. These risks emerge in day-to-day business operations and accordingly are monitored and addressed by the operating management.

Risk assessment relates to the analysis of the gross and net risks regarding probability of occurrence and impact.

The following factors, among others, form an integral part of the risk management process at the operating level: the code of conduct regarding the principles governing responsible actions in matters involving clients, employees, the public sector/community, suppliers as well as the environment and social responsibility, in addition to the supplier code of conduct with guidelines regarding child labour, freedom of association, forced labour, discrimination, health and safety, working hours and compensation, environmental policy and supervision.

In the retail business, Jelmoli –The House of Brands confronts these risks with a foresighted, structured market research strategy, coupled with periodic review and adjustment of the strategy. Jelmoli –The House of Brands boasts a first-class location that, coupled with a competent presence on the market with an attractive range of products and additional services significant to added value, form the prerequisites for succeeding in this very dynamic environment. The ideal mix of product range and services is constantly subject to review and adapted to the market trends and associated demand behaviour on the part of consumers, so that the attractiveness of this location is maintained at all times.

The risks of financial losses resulting from volatile market prices, interest rates or exchange rates, from credit or counterparty risks, or from risks associated with liquidity and refinancing are countered by daily analysis of market and credit conditions, by risk limits and by explicit regulations covering the authorisation of transactions.

RISKS ASSOCIATED WITH THE ASSISTED LIVING SEGMENT

Under the authority of the board of directors, Tertianum Group's existing strategic and operating processes are subject to analysis on a regular basis, according to which the relevant risks detected are defined and evaluated and specific measures are derived. These measures serve to avoid risks, or at least mitigate their negative effects on the organisation. The internal control system (ICS) forms an integral part of risk management, which in Tertianum Group is based on the structural guidelines of the COSO framework. The objective is to integrate the defined control measures for avoiding and mitigat-

ing risks directly into the respective processes. Hence, employees at all hierarchical levels are involved in the risk management process, controlled by the executive board. This ensures awareness regarding any looming risks at all levels of the organisation.

With the support of the risk matrix, the success of the defined measures is assessed within the scope of a gross/net risk comparison.

Following are the significant risks associated with the business activities in the assisted living sector:

- > regulatory guidelines: payment contributions by the canton (residual financing) are re-determined by the relevant cantonal authorities annually, while tightening regulations lead to continuously increasing administrative expenses
- > market trend and competition: stepped-up competitive playing field in private and public sector
- > demographic and lifestyle trends of customers: higher level of sophistication on the part of customers and trend toward individualisation
- > employees and management: already foreseeable shortage of personnel, particularly in the area of care and support, is intensified further by political developments
- > reputation risks: significant public scrutiny of incidents
- > capacity utilisation of residences: high fixed-cost component complicates adjusting costs to fluctuations in capacity utilisation
- > project developments: risks associated with costs, quality and deadlines for new buildings
- > establishing the Vitadomo brand: market acceptance of the new product
- > additionally leased properties: contract extension opportunities as well as execution of maintenance activities desired by the company

Tertianum Group counters the aforementioned risks with various proactive and reactive measures at the strategic and operating levels, which include the following, among others:

- > active association and fostering relations with political decision-makers
- > regular surveys of stakeholders (guests, relatives, referrer, etc.)
- > regular market and competitor analyses
- > regular review of offer prices and price policy
- > definition, implementation and review of internal structures

REGULATORY AND FISCAL RISKS

Possible future changes to legislation, other regulations or official practice on the part of authorities – in particular in the areas of tax, tenancy or environmental protection law – could have an impact on real estate prices, costs and income and hence on Swiss Prime Site's business performance.

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

RISKS ASSOCIATED WITH LITIGATION

Swiss Prime Site may become involved in various legal, regulatory and arbitration-related proceedings in connection with its normal business activities. Swiss Prime Site sets aside provisions for litigation (including fees and costs for external lawyers and other relevant services) relating to certain anticipated court costs and arbitration-related costs as well as regulatory costs, when such expenses are likely to be incurred and if they are realistically assessable. Swiss Prime Site reviews its legal, regulatory and arbitration-related proceedings on a quarterly basis in terms of adequacy of provisions. The Company is therefore able to build up or release its provisions based on the assessments of the Executive Board and advice of its legal advisors. Additional allocations to or releases of provisions for litigation may be carried out in the future if necessitated by the relevant legal disputes, claims or proceedings.

Due to the inherent nature of the risks associated with litigation, the probability or realistic possibility that such potential costs may be incurred as well as their amount or scope cannot be readily assessed. The management relies on assumptions regarding the outcome of these proceedings in the preparation of the consolidated financial statements. At the same time, various factors are also taken into account,

including type and nature of the litigation, pretence or proceedings, development of the case, the legal advice received, rebuttal on the part of Swiss Prime Site, its experience with similar cases or proceedings, as well as assessment of the issues.

RISK MONITORING

The various risks are monitored and controlled by several Swiss Prime Site bodies and departments, as follows:

- > Board of Directors
- > Audit Committee
- > internal risk management
- > internal audit

37 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

in CHF 1 000	Fair value level 1	Fair value level 2	Fair value level 3	Total levels	31.12.2014 Book value
Cash (without cash in hand)					254 587
Accounts receivable					126 097
Current accounts receivable					587
Other receivables					6 301
Other non-current receivables		1 076		1 076	425
Non-current financial investments		255	134	389	1 261
Total receivables and non-current financial investments					134 671
Total financial assets, not recognised at fair value					389 258
Securities	477			477	477
Total financial assets held for trading					477
Total financial assets at fair value					477
Accounts payable					16 151
Current financial liabilities					486 500
Other current liabilities					138 772
Other non-current financial liabilities			2 093	2 093	2 093
Mortgage-backed loans			3 324 656	3 324 656	3 120 824
Convertible bonds	425 491			425 491	416 620
Bonds	975 253			975 253	939 784
Total financial liabilities at amortised cost					5 120 744
Total financial liabilities, not recognised at fair value					5 120 744
Derivatives with negative fair value		9 484		9 484	9 484
Total financial liabilities held for trading					9 484
Total financial liabilities at fair value					9 484

in CHF 1 000	Fair value level 1	Fair value level 2	Fair value level 3	Total levels	31.12.2013 Book value
Cash (without cash in hand)					200 946
Accounts receivable					120 406
Current accounts receivable					147
Other receivables					7 035
Other non-current receivables		1 943		1 943	2 125
Non-current financial investments		252	134	386	1 262
Total receivables and non-current financial investments					130 975
Total financial assets, not recognised at fair value					331 921
Securities	390			390	390
Derivatives with positive fair value		279		279	279
Total financial assets held for trading					669
Total financial assets at fair value					669
Accounts payable					15 532
Current financial liabilities					1 089 639
Other current liabilities					138 444
Mortgage-backed loans		3 272 253		3 272 253	3 184 994
Convertible bonds	457 843			457 843	437 234
Bonds	349 083			349 083	343 637
Total financial liabilities at amortised cost					5 209 480
Total financial liabilities, not recognised at fair value					5 209 480
Derivatives with negative fair value		11 173		11 173	11 173
Total financial liabilities held for trading					11 173
Total financial liabilities at fair value					11 173

No fair value information was disclosed for financial instruments such as current receivables and liabilities since their relevant book values represent an appropriate approximation of the fair value.

The following table shows the valuation techniques used to determine the fair value at level 2 and level 3, as well as the significant, unobservable input factors:

Financial instruments recognised at fair value

Nature	Derivatives (swaps and caps)
Valuation technique	Market comparison process: Fair value is based on brokers' listed prices. Similar contracts are traded on an active market, and the listed prices reflect the actual transactions for similar instruments.

Financial instruments not recognised at fair value

Nature	Other non-current receivables, non-current financial investments, mortgage-backed loans
Valuation technique	Discounted cash flows

The valuation techniques remained unchanged year-on-year.

FINANCING AND LIQUIDITY RISKS

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

- > a maximum average of 65% borrowed capital may be used to finance the real estate portfolio
- > the equity ratio target is 40%, although the Board of Directors can approve a shortfall of this ratio
- > a return on equity (ROE) of 6% to 8% is targeted in the long term
- > borrowing 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 figures

in %	31.12.2013	31.12.2014
Loan-to-value ratio for the property portfolio ¹	54.1	50.7
Non-current financial liabilities relative to property portfolio ¹	42.5	43.7
Current financial liabilities relative to overall financial liabilities	21.5	14.4
Current assets relative to current liabilities	59.6	70.0
Equity ratio	39.1	39.6
Borrowed capital ratio	60.9	60.4
Return on equity (ROE weighted)	9.1	7.0
Return on invested capital (ROIC weighted)	4.6	3.6

¹ without derivatives

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

Interest commitment is determined, among other things, by taking into account the maturity structure of the existing rental agreements, the intended purchases and sales of properties, and the potential trends in market rents, inflation and interest rates.

Liquidity risk is the risk that Swiss Prime Site may not be in a position to meet its contractual financial obligations through providing means of payment or other financial assets.

Current income basically ensures sufficient cash flow to meet current obligations. Any 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 redeem loans. The goal is to invest available cash in real estate. To secure larger liabilities, non-secured but open credit lines are available. The Executive Board is responsible for the timely provision of the required cash. Hence, it complies with, among others, the provisions of the investment regulations and use of 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 outflows (including interest) from all financial liabilities as at the balance sheet date was as follows:

in CHF 1 000	31.12.2014 Book value	Contractual cash flows	< 6 months		6 to 12 months		1 to 2 years		2 to 5 years		> 5 years	
			Interest	Amorti- sation	Interest	Amorti- sation	Interest	Amorti- sation	Interest	Amorti- sation	Interest	Amorti- sation
Accounts payable	16 151	16 151	–	16 151	–	–	–	–	–	–	–	–
Current financial liabilities	714 300	721 637	4 792	499 620	1 225	216 000	–	–	–	–	–	–
Other current liabilities	138 772	138 772	–	138 772	–	–	–	–	–	–	–	–
Non-current financial liabilities	4 251 522	4 709 446	44 422	–	45 159	–	83 274	572 350	182 044	1 452 000	100 197	2 230 000
Total non-derivative financial liabilities	5 120 745	5 586 006	49 214	654 543	46 384	216 000	83 274	572 350	182 044	1 452 000	100 197	2 230 000
Derivatives with negative fair values	9 484	10 560	–	3 342	–	2 575	–	2 618	–	1 438	–	587
Total derivative financial liabilities	9 484	10 560	–	3 342	–	2 575	–	2 618	–	1 438	–	587
Total financial liabilities	5 130 229	5 596 566	49 214	657 885	46 384	218 575	83 274	574 968	182 044	1 453 438	100 197	2 230 587

in CHF 1 000	31.12.2013 Book value	Contractual cash flows	< 6 months		6 to 12 months		1 to 2 years		2 to 5 years		> 5 years	
			Interest	Amorti- sation	Interest	Amorti- sation	Interest	Amorti- sation	Interest	Amorti- sation	Interest	Amorti- sation
Accounts payable	15 532	15 532	–	15 532	–	–	–	–	–	–	–	–
Current financial liabilities	1 089 639	1 094 000	3 005	958 630	1 365	131 000	–	–	–	–	–	–
Other current liabilities	138 444	138 444	–	138 444	–	–	–	–	–	–	–	–
Non-current financial liabilities	3 965 865	4 406 982	45 480	–	46 235	–	80 378	679 195	166 217	1 364 350	100 127	1 925 000
Total non-derivative financial liabilities	5 209 480	5 654 958	48 485	1 112 606	47 600	131 000	80 378	679 195	166 217	1 364 350	100 127	1 925 000
Derivatives with negative fair values	11 173	12 534	–	3 425	–	2 328	–	3 879	–	2 252	–	650
Total derivative financial liabilities	11 173	12 534	–	3 425	–	2 328	–	3 879	–	2 252	–	650
Total financial liabilities	5 220 653	5 667 492	48 485	1 116 031	47 600	133 328	80 378	683 074	166 217	1 366 602	100 127	1 925 650

The weighted average residual term to maturity of all interest-bearing financial liabilities was 4.7 [4.0] 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. In order to minimise counterparty risk, the particular counterparties for concluding derivative financial instrument transactions are diligently selected in terms of credit ratings and diversification. The quality of the transactions and settlements

is subject to monitoring on an ongoing basis. 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 major tenants. First, arrears are prevented by performing strict credit rating checks before entering into a contract. Second, efficient debt collection and legal case reporting by the property managers 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 if the economic situation deteriorates.

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

in CHF 1 000	31.12.2013	31.12.2014
Cash (without cash in hand)	200 946	254 587
Securities	390	477
Accounts receivable	120 406	126 097
Current accounts	147	587
Other receivables	7 035	6 301
Other non-current receivables	2 125	425
Non-current financial investments	1 262	1 261
Derivatives with positive fair value	279	–
Maximum credit risk	332 590	389 735

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 Group held the following fixed and variable interest-bearing financial instruments:

in CHF 1 000	31.12.2013	31.12.2014
Fixed interest-bearing financial instruments		
Financial assets	4 968	1 686
Financial liabilities	4 906 655	4 859 970
Surplus of fixed interest-bearing financial liabilities	4 901 687	4 858 284
Variable interest-bearing financial instruments		
Financial assets	200 946	254 587
Financial liabilities	151 520	110 000
Surplus of variable interest-bearing financial assets	49 426	144 587

Interest risk is continuously monitored and assessed by the Executive Board. Depending on the expected trends in long-term interest rates and taking into account the current market environment, an individual decision as to the term to maturity is made with each refinancing. At the same time, 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 Note 27 «Financial liabilities».

Current and non-current financial liabilities split by interest rate

in CHF 1 000	31.12.2013	31.12.2014
	Total nominal value	Total nominal value
Financial liabilities up to 1.00%	485 450	201 800
Financial liabilities up to 1.50%	391 520	696 000
Financial liabilities up to 2.00%	1 681 605	1 336 070
Financial liabilities up to 2.50%	783 400	1 284 400
Financial liabilities up to 3.00%	862 500	729 000
Financial liabilities up to 3.50%	385 500	275 500
Financial liabilities up to 4.00%	424 200	413 200
Financial liabilities up to 4.75%	44 000	34 000
Total financial liabilities	5 058 175	4 969 970

The weighted average interest rate for all interest-bearing financial liabilities was 2.2% [2.2%]. The loans were mainly obtained 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 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 the 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	2013	2014
Change of interest result with increase of interest rate by 0.50%	495	703
Change of interest result with decrease of interest rate by 0.50%	633	-703

DERIVATIVES AND HEDGE ACCOUNTING

Swiss Prime Site utilises various derivatives (swaps and caps) for the purpose of partial interest fixing of variable interest-bearing financial liabilities. Hedge accounting in the context of IAS 39 «Financial instruments: recognition and measurement» is not used. Swaps are balanced on a net basis.

OTHER PRICE RISK

Other price risk is the risk of changes in fair value of securities, which can have an effect on the fair value of securities held by Swiss Prime Site as well as on profit.

A change in the fair value of securities amounting to 10% would accordingly increase or decrease profit by CHF 0.048 million [CHF 0.039 million]. The fair value of securities corresponds to the listing price as at the balance sheet date.

38 EVENTS AFTER THE BALANCE SHEET DATE

The annual consolidated financial statements were approved for publication by the Board of Directors on 09.03.2015 and are subject to the approval of the Annual General Meeting of Swiss Prime Site AG of 14.04.2015.

The CHF 300 million convertible bond with maturity date on 20.01.2015 was converted to shareholders' equity at more than 90%. Of the remaining amount of nominal CHF 229.120 million as at 31.12.2014, CHF 203.035 million was converted into 2 860 803 shares and CHF 26.085 million redeemed in January 2015. As a result, the number of outstanding shares increased to 63 681 405 and share capital grew to CHF 974.325 million.

There were no other events occurring between 31.12.2014 and the date of publication of these annual consolidated financial statements that would result in adjustment of the book values of the Group's assets and liabilities as at 31.12.2014, or which would need to be disclosed at this point.

FINANCIAL STATEMENTS OF SWISS PRIME SITE AG

REPORT OF THE STATUTORY AUDITOR	98
INCOME STATEMENT	100
BALANCE SHEET	101
NOTES TO THE FINANCIAL STATEMENTS	102
PROPOSED APPROPRIATION OF BALANCE SHEET PROFIT	108

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF SHAREHOLDERS OF SWISS PRIME SITE AG, OLTEN

REPORT OF THE STATUTORY AUDITOR ON THE FINANCIAL STATEMENTS

As statutory auditor, we have audited the accompanying financial statements of Swiss Prime Site AG, which comprise the income statement, balance sheet and notes (pages 100 to 108) for the year ended 31 December 2014.

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 December 2014 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, 9 March 2015

KPMG AG

Jürg Meisterhans
Licensed Audit Expert
Auditor in Charge

Claudius Rüegsegger
Licensed Audit Expert

INCOME STATEMENT

in CHF 1 000	Notes	01.01.– 31.12.2013	01.01.– 31.12.2014
Income from investments in subsidiaries	2.1	20 000	20 000
Other operating income		1	–3
Total operating income		20 001	19 997
Personnel costs	4	–1 567	–1 552
Other operating expenses	2.2	–7 607	–5 182
Total operating expenses		–9 174	–6 734
Operating result		10 827	13 263
Financial income	2.3	81 921	90 309
Financial expenses	2.4	–102 508	–101 703
Result before taxes		–9 760	1 869
Direct taxes		–	–
Profit/loss	7	–9 760	1 869

BALANCE SHEET

in CHF 1 000	Notes	31.12.2013	31.12.2014
Assets			
Cash		1 791	45 527
Securities with market price		114	204
Other current receivables	2.5	45 172	20 193
Accrued income and prepaid expenses		2 444	2 000
Total current assets		49 521	67 924
Financial investments	2.6	3 094 656	2 827 477
Investments in subsidiaries	2.7	4 029 072	4 029 072
Accrued income and prepaid expenses		2 318	4 693
Total non-current assets		7 126 046	6 861 242
Total assets		7 175 567	6 929 166
Liabilities and shareholders' equity			
Current interest-bearing liabilities	2.8	1 089 151	715 620
Other current liabilities	2.9	23 349	8 521
Accrued expenses and deferred income	2.10	2 225	816
Total current liabilities		1 114 725	724 957
Non-current interest-bearing liabilities	2.11	3 659 005	3 995 850
Other non-current liabilities		10 029	9 093
Total non-current liabilities		3 669 034	4 004 943
Total liabilities		4 783 759	4 729 900
Share capital		925 697	930 555
Statutory reserves from capital contributions		965 885	765 507
Legal retained earnings		147 378	147 378
Voluntary retained earnings		354 154	356 023
Treasury shares	2.12	– 1 306	– 197
Total shareholders' equity		2 391 808	2 199 266
Total liabilities and shareholders' equity		7 175 567	6 929 166

1 PRINCIPLES OF ACCOUNTING AND VALUATION

1.1 GENERAL

The 2014 financial statements of Swiss Prime Site AG were prepared for the first time according to the provisions of the Swiss Accounting Law (32 title of the Swiss Code of Obligations (CO)). The significantly applicable valuation principles, which are not stipulated by law, are described in the following section. In order to ensure comparability, the previous year's information on the balance sheet and income statement was adapted to the new structural regulations.

1.2 SECURITIES

Short-term-held securities are valued at the stock exchange price on the balance sheet date. Formation of a fluctuation reserve has been waived.

1.3 INTEREST-BEARING LIABILITIES

Interest-bearing liabilities are recognised in the balance sheet at nominal value. The discounts on the bonds and convertible bonds as well as issue costs are recorded in accrued income and prepaid expenses and amortised over the term to maturity of the bonds or convertible bonds.

1.4 TREASURY SHARES

Treasury shares are recognised in the balance sheet at the time of acquisition at historical costs as a minus position in shareholders' equity. Given future re-divestment of the shares, the profit or loss is recorded as financial income or financial expense, respectively, affecting net income.

1.5 SHARE-BASED COMPENSATION

When treasury shares are used for share-based compensation to Board of Directors members and employees, the difference between the historical cost and any payment to employees with the allocation of shares constitutes personnel costs.

2 INFORMATION ON BALANCE SHEET AND INCOME STATEMENT POSITIONS

2.1 INCOME FROM INVESTMENTS IN SUBSIDIARIES

Income from investments in subsidiaries includes the dividends of SPS Beteiligungen Alpha AG of CHF 20.000 million [CHF 20.000 million] for the financial year 2014. The dividends were recognised as receivables. 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.

2.2 OTHER OPERATING EXPENSES

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Administration costs	– 5 693	– 2 948
Capital taxes	– 231	– 204
Other operating expenses	– 1 683	– 2 030
Total	– 7 607	– 5 182

2.3 FINANCIAL INCOME

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Interests on loans from Group companies	78 956	89 178
Valuation of financial instruments	2 794	936
Other financial income	171	195
Total	81 921	90 309

2.4 FINANCIAL EXPENSES

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Interests on loans	– 90 558	– 84 973
Interest expenses on bonds and convertible bonds	– 9 813	– 14 272
Amortisation of cost of bonds and convertible bonds	– 1 903	– 2 270
Other financial expenses	– 234	– 188
Total	– 102 508	– 101 703

2.5 OTHER CURRENT RECEIVABLES

in CHF 1 000	31.12.2013	31.12.2014
Other current receivables from third parties	14 264	193
Other current receivables from Group companies	30 908	20 000
Total	45 172	20 193

2.6 FINANCIAL INVESTMENTS

in CHF 1 000	31.12.2013	31.12.2014
Loans to Group companies	3 094 656	2 827 477
Total	3 094 656	2 827 477

2.7 INVESTMENTS IN SUBSIDIARIES

Direct investments in subsidiaries

	31.12.2013 Share capital in CHF 1 000	31.12.2013 Shareholding interest in %	31.12.2014 Share capital in CHF 1 000	31.12.2014 Shareholding interest in %
SPS Beteiligungen Alpha AG, Olten	650 000	100.0	650 000	100.0

Indirect investments in subsidiaries

	31.12.2013 Share capital in CHF 1 000	31.12.2013 Shareholding interest in %	31.12.2014 Share capital in CHF 1 000	31.12.2014 Shareholding interest in %
Clouds Gastro AG, Zurich	500	100.0	500	100.0
Ensemble artisanal et commercial de Riantbosson S.A., Frauenfeld ⁸	1 000	31.0	1 000	57.4
GLPH SA, Lancy ¹	100	100.0	—	—
Jelmoli AG, Zurich	6 600	100.0	6 600	100.0
Parkgest Holding SA, Geneva	4 750	38.8	4 750	38.8
Parking Riponne S.A., Lausanne	5 160	27.1	5 160	27.1
Perlavita AG, Zurich ²	100	100.0	100	100.0
Perlavita Rosenau AG, Kirchberg ²	300	100.0	300	100.0
Permed AG, Zurich ³	100	100.0	—	—
SPS Beteiligungen Beta AG, Olten	450 000	100.0	450 000	100.0
SPS Beteiligungen Gamma AG, Olten	300 000	100.0	300 000	100.0
SPS Immobilien AG, Olten	50 000	100.0	50 000	100.0
Swiss Prime Site Fund Advisory AG II, Olten ⁴	—	—	100	100.0
Swiss Prime Site Group AG, Olten ⁵	100	100.0	100	100.0
Tertianum AG Zurich ²	9 562	100.0	9 562	100.0
Tertianum Ticino SA, Muralto ⁶	100	100.0	—	—
Vitadomo AG, Zurich ⁷	—	—	100	100.0
Wincasa AG, Winterthur	1 500	100.0	1 500	100.0

¹ operating business was sold end of 2013; merged with SPS Immobilien AG as at 30.06.2014

² acquired as at 12.07.2013

³ acquired as at 12.07.2013, sold as at 17.03.2014

⁴ founded as at 28.03.2014

⁵ founded as at 25.11.2013

⁶ acquired as at 12.07.2013; merged with Tertianum AG as at 01.01.2014

⁷ founded as at 05.11.2014

⁸ increase of shareholding interest to 57.4% and full consolidation

2.8 CURRENT INTEREST-BEARING LIABILITIES

in CHF 1 000	31.12.2013	31.12.2014
Convertible bonds	—	229 120
Other current interest-bearing liabilities	1 089 151	486 500
Total	1 089 151	715 620

Further information regarding bonds and convertible bonds can be found in Notes 3.2 and 3.3.

2.9 OTHER CURRENT LIABILITIES

in CHF 1 000	31.12.2013	31.12.2014
Other current liabilities to Group companies	14 815	433
Other current liabilities to shareholders	96	115
Other current liabilities to third parties	8 438	7 973
Total	23 349	8 521

2.10 ACCRUED EXPENSES AND DEFERRED INCOME

in CHF 1 000	31.12.2013	31.12.2014
Accrued expenses and deferred income to third parties	1 795	816
Accrued expenses and deferred income to shareholders	330	—
Accrued expenses and deferred income to personnel pension plan foundations	100	—
Total	2 225	816

2.11 NON-CURRENT INTEREST-BEARING LIABILITIES

in CHF 1 000	31.12.2013	31.12.2014
Convertible bonds	442 005	190 350
Bonds	345 000	945 000
Other non-current interest-bearing liabilities	2 872 000	2 860 500
Total	3 659 005	3 995 850

MATURITY STRUCTURE OF NON-CURRENT INTEREST-BEARING LIABILITIES

in CHF 1 000	31.12.2013	31.12.2014
Up to 5 years	1 842 505	1 874 350
Over 5 years	1 816 500	2 121 500
Total	3 659 005	3 995 850

2.12 TREASURY SHARES

As at the balance sheet date, Swiss Prime Site AG held 2 682 [18 916] treasury shares. Purchases and sales were carried out at the applicable daily market rate.

	Volume-weighted average share price in CHF	2013 Number of treasury shares	Volume-weighted average share price in CHF	2014 Number of treasury shares
Change in number of treasury shares				
Holdings of treasury shares on 01.01.	—	2 753	—	18 916
Purchases at the volume-weighted average share price	68.70	25 000	73.62	10 000
Share-based compensation	68.47	– 8 837	71.76	– 10 085
Sales at the volume-weighted average share price ¹	—	—	68.52	– 16 149
Holdings of treasury shares on 31.12.	—	18 916	—	2 682

¹ sales to Group companies for share-based compensation

3 ADDITIONAL INFORMATION

3.1 FULL-TIME POSITIONS

Swiss Prime Site AG has no employees.

3.2 CONVERTIBLE BONDS

		CHF m 300 2015	CHF m 190.35 2016
Issuing volume, nominal	CHF m	300.000	190.350
Book value as at 31.12.2014	CHF m	229.120	190.350
Book value as at 31.12.2013	CHF m	251.665	190.350
Conversion price	CHF	70.97	82.89
Interest rate	%	1.875	1.875
Term to maturity	Years	5	5
Maturity	Date	20.01.2015	21.06.2016
Securities number		10 877 415 (SPS10)	13 119 623 (SPS11)

3.3 BONDS

		CHF m 115 2018	CHF m 200 2019	CHF m 230 2020	CHF m 300 2021	CHF 100 2024
Issuing volume, nominal	CHF m	115.000	200.000	230.000	300.000	100.000
Book value as at 31.12.2014	CHF m	115.000	200.000	230.000	300.000	100.000
Book value as at 31.12.2013	CHF m	115.000	n/a	230.000	n/a	n/a
Interest rate	%	1.125	1.0	2.0	1.75	2.0
Term to maturity	Years	5	5	7	7	10
Maturity	Date	11.07.2018	10.12.2019	21.10.2020	16.04.2021	10.12.2024
Securities number		21 564 566 (SPS13)	25 704 216 (SPS141)	21 565 073 (SPS131)	23 427 449 (SPS14)	25 704 217 (SPS142)

3.4 SHAREHOLDING RIGHTS FOR BOARD OF DIRECTORS AND EXECUTIVE BOARD

Number of shares	31.12.2013	31.12.2014
Board of Directors		
Prof. Dr. Hans Peter Wehrli, Chairman of the BoD	25 609	28 376
Dr. Thomas Wetzel, Vice-Chairman of the BoD	2 717	2 341
Christopher M. Chambers, member of the BoD	39 016	40 415
Dr. Bernhard Hammer, member of the BoD	7 155	7 702
Dr. Rudolf Huber, member of the BoD	18 046	19 526
Mario F. Seris, member of the BoD	5 450	6 849
Klaus R. Wecken, member of the BoD	1 070 000	820 000
Executive Board		
Markus Graf, member of the Executive Board (CEO)	30 279	35 169
Peter Wullschleger, member of the Executive Board (CFO) and secretary of the BoD ¹	10 000	11 000
Peter Lehmann, member of the Executive Board (CIO)	8 500	9 294
Oliver Hofmann, member of the Executive Board and CEO of Wincasa AG ²	–	–
Franco Savastano, member of the Executive Board and CEO of Jelvoli AG	–	–
Dr. Luca Stäger, member of the Executive Board and CEO of Tertium AG ³	n/a	–
Total share ownership of the Board of Directors and the Executive Board	1 216 772	980 672

¹ until end 2014

² since 01.06.2013

³ since 01.01.2014

3.5 MAJOR SHAREHOLDERS

	31.12.2013 Shareholding interest in % ¹	31.12.2014 Shareholding interest in % ¹
Major shareholders (shareholding interest > 3.0%)		
Credit Suisse Funds AG, Zurich	5.3	4.5
BlackRock Investment Management (UK) Ltd, London	5.1	5.0
State Street Corporation, Boston	3.1	4.9

¹ according to entry in the register of shareholders or the notifications received by the Company

3.6 SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

The CHF 300 million convertible bond with maturity date on 20.01.2015 was converted to shareholders' equity at more than 90%. Of the outstanding nominal amount of CHF 229.120 million as at 31.12.2014, CHF 203.035 million was converted in January 2015 in 2 860 803 shares and CHF 26.085 million was redeemed. The number of issued shares therefore increased to 63 681 405 and share capital rose to CHF 974.325 million.

4 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 31.12.2014 in the amount of CHF 194.998 million be appropriated as follows:

in CHF 1 000	31.12.2013	31.12.2014
Retained earnings brought forward	202 889	193 129
Profit/loss	- 9 760	1 869
Total balance sheet profit	193 129	194 998
Dividend payment	-	-
Balance brought forward to new account	193 129	194 998

The Board of Directors requests the Annual General Meeting of 14.04.2015 to approve a withholding tax-exempt distribution of CHF 3.70 per share from the capital contribution reserves. Based on the total number of 63 681 405 shares issued at 09.03.2015, this is equivalent to a reduction in capital contribution reserves of CHF 235.621 million.

EPRA KEY FIGURES

EPRA KEY FIGURES (EUROPEAN PUBLIC REAL ESTATE ASSOCIATION)

EPRA Earnings and EPRA Earnings per share

in CHF 1 000	01.01.– 31.12.2013	01.01.– 31.12.2014
Earnings per consolidated income statement	343 869	286 658
Excluding:		
Revaluations of investment properties	– 186 705	– 113 234
Result from property sales	– 15 290	– 2 062
Result on sales of trading properties	n/a	n/a
Tax on profits on disposals, gross	4 282	259
Negative goodwill/goodwill impairment	n/a	n/a
Changes in fair value of financial instruments	– 9 218	– 1 501
Transaction costs on acquisitions of Group companies and associated companies	2 694	–
Deferred taxes in respect of EPRA adjustments	43 083	23 007
Adjustments in respect of associated companies	n/a	n/a
Adjustments in respect of non-controlling interests	n/a	n/a
EPRA earnings	182 715	193 127
Average number of outstanding shares	60 368 821	60 512 651
EPRA earnings per share in CHF	3.03	3.19

EPRA Net Asset Value (NAV)

in CHF 1 000	31.12.2013	31.12.2014
NAV as per consolidated balance sheet	4 107 345	4 200 205
Dilution effects from exercise of options, convertibles and other equity interests	437 234	416 621
Diluted NAV, after the exercise of options, convertibles and other equity interests	4 544 579	4 616 826
Including:		
Revaluation of investment properties ¹	n/a	n/a
Revaluation of properties under construction ¹	n/a	n/a
Revaluation of other non-current investments	n/a	n/a
Revaluation of tenant leases held as finance leases	n/a	n/a
Revaluation of trading properties	7 305	8 793
Excluding:		
Fair value of derivative financial instruments	10 893	9 484
Deferred taxes	891 140	955 410
Goodwill as a result of deferred taxes	n/a	n/a
Adjustments in respect of associated companies	n/a	n/a
EPRA NAV	5 453 917	5 590 513
Number of outstanding shares (diluted)	66 326 517	66 342 666
EPRA NAV per share in CHF	82.23	84.27

¹ if IAS 40 cost option is used

EPRA triple Net Asset Value (NNNAV)

in CHF 1 000	31.12.2013	31.12.2014
EPRA NAV	5 453 917	5 590 513
Including:		
Fair value of derivative financial instruments	– 10 893	– 9 484
Revaluation of financial debts	– 113 235	– 246 331
Deferred taxes	– 883 214	– 938 167
EPRA NNNAV	4 446 575	4 396 531
Number of outstanding shares (diluted)	66 326 517	66 342 666
EPRA NNNAV per share in CHF	67.04	66.27

EPRA net yield on rental income (NIY)

in CHF 1 000		31.12.2013	31.12.2014
Investment properties – wholly owned		9 311 703	9 739 301
Investment properties – share of joint ventures/funds		n/a	n/a
Trading properties		27 785	45 747
Less properties under construction and development sites, building land and trading properties		– 562 502	– 380 239
Value of completed property portfolio		8 776 986	9 404 809
Allowance for estimated purchasers' costs		n/a	n/a
Gross up value of completed property portfolio	A	8 776 986	9 404 809
Annualised rental income		420 966	430 518
Property outgoings		– 61 236	– 54 658
Annualised net rental income	B	359 730	375 860
Add: notional rent expiration of rent-free periods or other lease incentives		403	2 541
Topped-up net annualised rental income	C	360 133	378 401
EPRA NIY	B/A	4.1%	4.0%
EPRA topped-up NIY	C/A	4.1%	4.0%

EPRA vacancy rate

in CHF 1 000		31.12.2013	31.12.2014
Estimated rental value of vacant space		26 242	27 697
Estimated rental value of the whole portfolio		455 392	460 928
EPRA vacancy rate		5.8%	6.0%

FIVE-YEAR SUMMARY OF KEY FIGURES

FIVE-YEAR SUMMARY OF KEY FIGURES

	in	31.12.2010	Restated ¹ 31.12.2011	Restated ¹ 31.12.2012	31.12.2013	31.12.2014
Group key figures						
Investment properties at fair value ²	CHF m	8 020.3	8 165.1	8 600.3	9 339.5	9 785.0
Rental income	CHF m	417.3	410.8	408.8	420.1	443.1
Vacancy rate	%	4.2	4.6	5.0	6.4	6.6
Income from real estate services ³	CHF m	–	–	14.1	98.6	100.1
Income from retail and gastronomy	CHF m	157.0	155.1	159.0	156.2	151.9
Income from assisted living ⁴		–	–	–	85.7	153.3
Operating profit (EBIT)	CHF m	413.1	604.1	514.4	539.2	462.8
Key figures Real Estate segment						
Rental income from third parties	CHF m	399.4	393.6	391.0	376.7	377.4
Rental income from Group companies	CHF m	34.9	36.4	36.4	47.5	53.9
Net yield on properties	%	4.9	4.8	4.5	4.2	4.1
Vacancy rate	%	4.1	4.4	4.8	6.1	6.4
Income from real estate services ²	CHF m	–	–	14.1	98.7	100.5
Operating profit (EBIT)	CHF m	411.9	607.8	525.8	561.3	491.9
Key figures Retail and Gastronomy segment						
Income from retail and gastronomy	CHF m	157.0	155.1	159.1	156.4	152.1
Rental income	CHF m	17.9	17.3	17.8	18.0	18.6
Operating profit (EBIT)	CHF m	8.8	9.3	–1.1	–6.5	0.9
Key figures Assisted Living segment⁴						
Income from assisted living services	CHF m	–	–	–	85.7	153.6
Rental income from owner-occupied properties	CHF m	–	–	–	11.4	23.6
Rental income from leased properties	CHF m	–	–	–	14.0	23.5
Operating profit (EBIT)	CHF m	–	–	–	5.0	9.0
Group key financial figures						
EBITDA	CHF m	440.2	618.2	531.5	565.9	497.9
Operating profit (EBIT)	CHF m	413.1	604.1	514.4	539.2	462.8
Profit ⁵	CHF m	235.8	355.1	311.3	343.9	286.7
of which non-controlling interests	CHF m	–	–	–	–	0.9
Comprehensive income ⁵	CHF m	240.9	365.1	323.5	378.2	288.2
of which non-controlling interests	CHF m	–	–	–	–	0.9
Shareholders' equity ⁵	CHF m	3 267.2	3 434.9	3 913.9	4 107.3	4 201.8
of which non-controlling interests	CHF m	–	–	–	–	1.6
Equity ratio	%	39.3	39.9	42.4	39.1	39.6
Borrowed capital	CHF m	5 050.2	5 174.3	5 323.1	6 404.8	6 400.3
Borrowed capital ratio	%	60.7	60.1	57.6	60.9	60.4
Total shareholders' equity and borrowed capital	CHF m	8 317.4	8 609.2	9 237.0	10 512.2	10 602.1

¹ restatement due to IAS 19 rev.; 2011 only shareholders' equity

² includes all properties, irrespective of their recognition in the balance sheet;
trading properties are recognised at lower of cost or net realisable value

³ acquisition of Wincasa AG as at 25.10.2012

⁴ acquisition of Tertianum AG as at 12.07.2013, sale of Permed AG as at 17.03.2014

⁵ including non-controlling interests

FIVE-YEAR SUMMARY OF KEY FIGURES

	in	31.12.2010	Restated ¹ 31.12.2011	Restated ¹ 31.12.2012	31.12.2013	31.12.2014
Interest-bearing financial liabilities	CHF m	4 192.1	4 188.7	4 144.7	5 066.7	4 963.7
Interest-bearing financial liabilities in % of balance sheet total	%	50.4	48.7	44.9	48.2	46.8
Loan-to-value ratio of property portfolio (LTV)	%	52.1	51.0	48.0	54.1	50.7
Weighted average interest rate on financial liabilities	%	2.8	2.8	2.6	2.2	2.2
Weighted average residual term to maturity of interest-bearing financial liabilities	years	3.9	4.5	4.5	4.0	4.7
ROE (weighted)	%	7.2	10.6	8.9	9.1	7.0
ROIC (weighted)	%	4.3	5.8	4.8	4.6	3.7
Cash flow from operating activities	CHF m	130.9	200.5	94.8	– 191.2	623.5
Cash flow from investing activities	CHF m	109.7	113.2	– 138.7	– 350.9	– 281.4
Cash flow from financing activities	CHF m	– 321.2	– 196.9	119.1	544.0	– 288.6
Key financial figures excluding revaluation effects²						
Operating profit (EBIT)	CHF m	326.7	426.0	327.1	352.5	349.6
Profit	CHF m	171.7	250.8	198.2	222.8	236.0
of which non-controlling interests	CHF m	–	–	–	–	0.9
Comprehensive income	CHF m	171.7	250.8	202.4	241.3	207.6
of which non-controlling interests	CHF m	–	–	–	–	–
ROE (weighted)	%	5.4	7.7	5.9	6.1	5.9
ROIC (weighted)	%	3.6	4.5	3.5	3.4	3.2
Key figures per share						
Share price at end of period	CHF	69.75	70.55	76.35	69.05	73.00
Share price, highest	CHF	72.25	74.60	82.95	78.45	76.00
Share price, lowest	CHF	58.00	65.85	69.30	66.35	68.95
Earnings per share (weighted)	CHF	4.34	6.53	5.67	5.70	4.72
Earnings per share (weighted) excluding revaluation effects ²	CHF	3.17	4.62	3.61	3.69	3.90
NAV before deferred taxes ³	CHF	72.11	76.72	78.62	82.65	84.77
NAV after deferred taxes ³	CHF	60.14	63.34	65.22	67.91	69.06
Distribution from capital contribution reserves from previous year ⁴	CHF	3.50	3.60	3.60	3.60	3.70
Cash yield on closing price of the previous year ⁴	%	5.0	5.1	4.7	5.2	5.1

¹ restatement due to IAS 19 rev.; 2011 only shareholders' equity² revaluations and deferred taxes³ Non-controlling interests recognised in shareholders' equity were not included in the calculation of the NAV.⁴ 31.12.2014 according to proposal to Annual General Meeting

FIVE-YEAR SUMMARY OF KEY FIGURES

	in	31.12.2010	Restated ¹ 31.12.2011	Restated ¹ 31.12.2012	31.12.2013	31.12.2014
Key figures per share						
Share performance (TR) p.a. in the last 12 months	%	27.1	6.1	14.9	-5.1	10.9
Share performance (TR) p.a. in the last 3 years	%	13.1	18.0	15.7	5.0	6.5
Share performance (TR) p.a. in the last 5 years	%	8.5	4.6	12.0	12.4	10.3
Premium	%	16.0	11.4	17.1	1.7	5.7
Market capitalisation						
	CHF m	3 792.2	3 835.7	4 581.9	4 177.7	4 439.9
Employees						
Number of employees ²	People	602	771	1 462	3 105	3 097
Full-time equivalents ²	FTE	468	547	1 239	2 321	2 370
Share statistics						
Shares issued	Number	54 368 714	54 368 714	60 011 611	60 503 081	60 820 602
Average treasury shares held	Number	- 173 262	- 36 117	- 4 369	- 5 847	- 6 458
Average outstanding shares	Number	54 195 452	54 332 597	54 873 552	60 368 821	60 512 651
Treasury shares held	Number	- 44 037	- 4 244	- 4 828	- 18 916	- 2 682
Outstanding shares	Number	54 324 677	54 364 470	60 006 783	60 484 165	60 817 920

¹ restatement due to IAS 19 rev.; 2011 only shareholders' equity

² 2013 adjusted to new, standardised reporting of employees (including temporary staff and other, according to personnel expenses)

PROPERTY DETAILS

FINANCIAL FIGURES	118
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GENERAL PROPERTY DETAILS	119
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PROPERTY STRUCTURE COMMERCIAL PROPERTIES	134
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PROPERTY STRUCTURE RESIDENTIAL PROPERTIES	135
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FINANCIAL FIGURES AS AT 31.12.2014

City, address	Cost ¹ (before depreciation)	Fair value	Target rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy losses 01.01.–31.12.2014	Net rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy rate (Real Estate segment) %
Commercial properties without significant residential space						
Aarau , Bahnhofstrasse 23	9 255 000.00	14 880 000.00	609 379.50	0.00	609 379.50	0.0
Affoltern a.A. , Obere Bahnhofstrasse 14	5 813 000.00	8 780 000.00	377 527.45	87 725.00	289 802.45	23.2
Amriswil , Weinfelderstrasse 74	5 408 000.00	7 325 000.00	467 224.30	2 833.65	464 390.65	0.6
Baden , Bahnhofstrasse 2	5 620 000.00	9 265 000.00	404 590.20	0.00	404 590.20	0.0
Baden , Weite Gasse 34, 36	5 702 000.00	8 735 000.00	389 591.70	0.00	389 591.70	0.0
Basel , Aeschenvorstadt 2–4	36 398 000.00	42 860 000.00	2 010 590.43	3 600.00	2 006 990.43	0.2
Basel , Barfüsserplatz 3	23 524 000.00	35 150 000.00	1 477 648.00	8 110.00	1 469 538.00	0.5
Basel , Centralbahnplatz 9/10	13 910 000.00	19 080 000.00	835 960.73	0.00	835 960.73	0.0
Basel , Elisabethenstrasse 15	27 650 000.00	27 430 000.00	1 365 728.77	83 930.00	1 281 798.77	6.1
Basel , Freie Strasse 26/ Falknerstrasse 3	17 622 000.00	38 490 000.00	1 484 579.20	93 517.50	1 391 061.70	6.3
Basel , Freie Strasse 36	24 271 000.00	41 080 000.00	1 689 240.00	0.00	1 689 240.00	0.0
Basel , Freie Strasse 68	49 097 000.00	44 650 000.00	2 944 554.96	1 510 818.96	1 433 736.00	51.3
Basel , Henric Petri-Strasse 9/ Elisabethenstrasse 19	27 426 000.00	30 280 000.00	1 504 417.33	14 505.03	1 489 912.30	1.0
Basel , Hochbergerstrasse 40/ parking	3 608 000.00	4 245 000.00	561 798.80	75 230.80	486 568.00	13.4
Basel , Hochbergerstrasse 60/ building 805	5 998 000.00	4 091 000.00	301 304.40	0.00	301 304.40	0.0
Basel , Hochbergerstrasse 60/ building 860	2 530 000.00	1 946 000.00	124 381.45	88 647.70	35 733.75	71.3
Basel , Hochbergerstrasse 60/ Stücki Business Park 60A–E	105 680 000.00	99 150 000.00	6 658 041.01	2 260 328.55	4 397 712.46	33.9
Basel , Hochbergerstrasse 62	1 457 000.00	9 769 000.00	424 272.00	0.00	424 272.00	0.0
Basel , Hochbergerstrasse 70/ Stücki shopping centre	282 759 000.00	248 170 000.00	17 863 687.90	2 639 336.89	15 224 351.01	14.8
Basel , Messeplatz 12/Messturm	174 971 000.00	204 080 000.00	9 348 576.00	0.00	9 348 576.00	0.0
Basel , Peter Merian-Strasse 80	49 233 000.00	49 270 000.00	2 628 957.58	220 272.10	2 408 685.48	8.4
Basel , Rebgrasse 20	48 212 000.00	38 830 000.00	2 538 991.59	47 703.20	2 491 288.39	1.9
Belp , Aemmenmattstrasse 43	34 890 000.00	16 550 000.00	1 614 215.10	619 954.60	994 260.50	38.4
Berlingen , Seestrasse 83, 88, 101, 154	18 465 000.00	35 000 000.00	1 969 999.80	0.00	1 969 999.80	0.0
Berlingen , Seestrasse 110	5 300 000.00	1 730 000.00	168 859.05	56 520.00	112 339.05	33.5
Berne , Bahnhofplatz 9	8 469 000.00	13 630 000.00	627 797.20	0.00	627 797.20	0.0
Berne , Genfergasse 14	84 858 000.00	107 860 000.00	4 292 587.35	0.00	4 292 587.35	0.0

¹ All costs incurred by the purchase of the property (purchase price, legal fees, transfer of real estate costs, sales commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, et cetera) are recognised as cost.

GENERAL PROPERTY DETAILS

City, address	Vacant space as at 31.12.2014 m ² %		Site area m ²	Register of contaminated sites ² (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	790	40.5	2 492	no	1904		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	1870/2005	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	185	6.4	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	5 139	68.9	1 461	no	1930	2015/2016 total renovation	31.10.1999	sole ownership
Basel, Henric Petri-Strasse 9/ Elisabethenstrasse 19	19	0.3	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	662	73.8	980	yes, no action required	1990		29.10.2009	sole ownership
Basel, Hochbergerstrasse 60/ Stückli Business Park 60A–E	11 644	31.1	8 343	yes, no action required	2008		29.10.2009	sole ownership
Basel, Hochbergerstrasse 62	0	0.0	2 680	yes, no action required	2005		29.10.2009	sole ownership
Basel, Hochbergerstrasse 70/ Stückli shopping centre	11 769	21.7	46 416	yes, almost fully decontaminated upon construction	2009		29.10.2009	sole ownership
Basel, Messeplatz 12/Messeturm	0	0.0	2 137	yes, no action required	2003		01.06.2001	sole ownership, partial land lease
Basel, Peter Merian-Strasse 80	893	9.8	19 214	no	1999		01.04.2001	freehold property
Basel, Rebgrasse 20	203	2.2	3 713	yes, no action required	1973	1998 partial renovation	29.10.2009	sole ownership
Belp, Aemmenmattstrasse 43	4 870	52.6	5 863	yes, no action required	1991		01.11.1999	sole ownership
Berlingen, Seestrasse 83, 88, 101, 154	0	0.0	10 321	no	1948– 1998		12.07.2013	sole ownership
Berlingen, Seestrasse 110	1 130	60.0	1 293	no	1992		12.07.2013	sole ownership
Berne, Bahnhofplatz 9	0	0.0	275	no	1930	1985 total renovation	22.12.2003	sole ownership
Berne, Genfergasse 14	0	0.0	4 602	no	1905	1998 total renovation	01.04.2001	sole ownership

¹ The register of contaminated 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.

FINANCIAL FIGURES AS AT 31.12.2014

City, address	Cost ¹ (before depreciation)	Fair value	Target rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy losses 01.01.–31.12.2014	Net rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy rate (Real Estate segment) %
Commercial properties without significant residential space						
Berne, Laupenstrasse 6	8 022 000.00	11 500 000.00	589 965.60	0.00	589 965.60	0.0
Berne, Mingerstrasse 12–18/ PostFinance Arena	107 305 000.00	113 720 000.00	6 589 084.45	9.00	6 589 075.45	0.0
Berne, Schwarztorstrasse 48	48 792 000.00	49 970 000.00	2 820 048.00	150.00	2 819 898.00	0.0
Berne, Viktoriastrasse 21, 21a, 21b	56 135 000.00	55 980 000.00	1 487 522.85	0.00	1 487 522.85	0.0
Berne, Wankdorffallee 4/ headquarters Post/Majowa	143 646 000.00	152 550 000.00	1 358 333.30	0.00	1 358 333.30	0.0
Berne, Weltpoststrasse 5	111 887 000.00	79 440 000.00	4 635 067.83	809 423.30	3 825 644.53	17.5
Biel, Solothurnstrasse 122	6 861 000.00	8 338 000.00	516 340.20	1 140.00	515 200.20	0.2
Brugg, Hauptstrasse 2	13 341 000.00	14 850 000.00	1 042 433.72	101 709.87	940 723.85	9.8
Buchs, St. Gallerstrasse 5	7 690 000.00	6 727 000.00	425 634.75	1 608.00	424 026.75	0.4
Burgdorf, Emmentalstrasse 14	8 752 000.00	8 624 000.00	552 965.55	25 660.00	527 305.55	4.6
Burgdorf, Industry Buchmatt	13 083 066.00	14 300 000.00	793 671.60	0.00	793 671.60	0.0
Carouge, Avenue Cardinal- Mermillod 36–44	98 657 000.00	151 290 000.00	8 828 792.04	19 894.95	8 808 897.09	0.2
Cham, Dorfplatz 2	4 575 000.00	5 013 000.00	255 714.15	0.00	255 714.15	0.0
Conthey, Route Cantonale 2	3 528 000.00	7 403 000.00	383 225.40	0.00	383 225.40	0.0
Conthey, Route Cantonale 4	14 864 000.00	21 150 000.00	1 402 411.25	18 900.00	1 383 511.25	1.3
Conthey, Route Cantonale 11	16 507 353.99	29 600 000.00	1 868 868.23	11 009.00	1 857 859.23	0.6
Dietikon, Bahnhofplatz 11/ Neumattstrasse 24	7 359 000.00	10 030 000.00	505 320.00	4 110.00	501 210.00	0.8
Dietikon, Kirchstrasse 20	8 262 000.00	11 730 000.00	604 682.05	0.00	604 682.05	0.0
Dietikon, Zentralstrasse 12	5 497 000.00	6 804 000.00	488 683.80	0.00	488 683.80	0.0
Dübendorf, Bahnhofstrasse 1	5 501 000.00	6 652 000.00	446 856.00	0.00	446 856.00	0.0
Eyholz, Kantonsstrasse 79	3 609 000.00	4 701 000.00	288 876.60	0.00	288 876.60	0.0
Frauenfeld, St. Gallerstrasse 30–30c	34 938 000.00	33 200 000.00	1 709 548.80	0.00	1 709 548.80	0.0
Frauenfeld, Zürcherstrasse 305	7 935 000.00	8 848 000.00	557 164.20	0.00	557 164.20	0.0
Frick, Hauptstrasse 132/ Fricktal Centre A3	15 276 000.00	20 700 000.00	1 137 752.55	71 280.00	1 066 472.55	6.3
Füllinsdorf, Schneckelerstrasse 1, sold	0.00	0.00	664 379.20	89 900.15	574 479.05	13.5
Geneva, Centre Rhône-Fusterie	45 838 000.00	102 850 000.00	3 093 684.00	0.00	3 093 684.00	0.0
Geneva, Place Cornavin 10	15 521 000.00	25 840 000.00	1 327 424.05	0.00	1 327 424.05	0.0
Geneva, Place du Molard 2–4	140 334 000.00	236 240 000.00	8 740 374.08	42 891.00	8 697 483.08	0.5

¹ All costs incurred by the purchase of the property (purchase price, legal fees, transfer of real estate costs, sales commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, et cetera) are recognised as cost.

GENERAL PROPERTY DETAILS

City, address	Vacant space as at 31.12.2014 m ² %		Site area m ²	Register of contaminated sites ² (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
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	29 098	yes, no action required	1969/2009	2009 total renovation	01.09.2008	sole ownership, land lease
Berne, Schwarztorstrasse 48	0	0.0	1 959	no	1981	2011 internal renovation	31.10.1999	sole ownership
Berne, Viktoriastrasse 21, 21a, 21b	0	0.0	14 036	yes	1970		01.10.2014	sole ownership
Berne, Wankdorfallee 4/ headquarters Post/Majowa	0	0.0	5 244	no	2014		04.04.2012	sole ownership, land lease
Berne, Weltpoststrasse 5	4 610	17.6	31 074	no	1975/1985	2013 total renovation	01.03.2000	sole ownership, land lease
Biel, Solothurnstrasse 122	22	0.7	3 885	no	1961	1993 total renovation	29.10.2009	sole ownership, land lease
Brugg, Hauptstrasse 2	1 088	24.6	3 364	no	1958	2000 partial renovation	29.10.2009	sole ownership
Buchs, St. Gallerstrasse 5	30	1.7	2 192	no	1995		31.10.1999	sole ownership
Burgdorf, Emmentalstrasse 14	198	9.6	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
Carouge, Avenue Cardinal- Mermillod 36–44	297	0.8	14 372	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	59	1.2	7 444	no	2009		29.10.2009	sole ownership, land lease
Conthey, Route Cantonale 11	1 264	17.3	10 537	no	2002		29.10.2009	sole ownership, land lease
Dietikon, Bahnhofplatz 11/ Neumattstrasse 24	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
Dübendorf, Bahnhofstrasse 1	0	0.0	1 308	no	1988		31.10.1999	sole ownership, land lease
Eyholz, Kantonsstrasse 79	0	0.0	2 719	no	1991		29.10.2009	sole ownership, land lease
Frauenfeld, St. Gallerstrasse 30–30c	0	0.0	8 842	no	1991		12.07.2013	sole ownership
Frauenfeld, Zürcherstrasse 305	0	0.0	3 866	yes, no action required	1982	2006 partial renovation	29.10.2009	sole ownership
Frick, Hauptstrasse 132/ Fricktal Centre A3	393	7.9	13 365	no	2007		29.10.2009	sole ownership
Füllinsdorf, Schneckelerstrasse 1, sold								
Geneva, Centre Rhône-Fusterie	0	0.0	2 530	no	1990		15.09.1999	freehold property
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	0	0.0	1 718	no	1690	2002 total renovation	29.10.2009	sole ownership

¹ The register of contaminated 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.

FINANCIAL FIGURES AS AT 31.12.2014

City, address	Cost ¹ (before depreciation)	Fair value	Target rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy losses 01.01.–31.12.2014	Net rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy rate (Real Estate segment) %
Commercial properties without significant residential space						
Geneva , Route de Meyrin 49	57 785 000.00	63 100 000.00	3 826 775.40	640 561.00	3 186 214.40	16.7
Geneva , Rue Céard 14/Croix-d'Or 11	11 341 000.00	20 650 000.00	331 277.00	0.00	331 277.00	0.0
Geneva , Rue de Rive 3	17 039 000.00	33 400 000.00	1 314 653.90	161 937.00	1 152 716.90	12.3
Geneva , Rue du Rhône 48–50	135 969 000.00	490 800 000.00	19 596 448.80	407 030.30	19 189 418.50	2.1
Glattbrugg , Schaffhauserstrasse 59	6 084 000.00	5 606 000.00	401 060.28	42 133.98	358 926.30	10.5
Gossau , Wilerstrasse 82	14 953 000.00	20 700 000.00	1 120 065.90	0.00	1 120 065.90	0.0
Grand-Lancy , Route des Jeunes 10/ CCL La Praille	183 692 000.00	274 210 000.00	15 318 615.05	43 343.60	15 275 271.45	0.3
Grand-Lancy , Route des Jeunes 12	64 239 000.00	52 360 000.00	3 252 373.75	74 257.40	3 178 116.35	2.3
Heimberg , Gurnigelstrasse 38	4 601 747.00	8 791 000.00	603 523.80	0.00	603 523.80	0.0
Horgen , Zugerstrasse 22, 24	8 190 000.00	11 310 000.00	598 815.75	2 916.00	595 899.75	0.5
La Chaux-de-Fonds , Boulevard des Eplatures 44	4 346 870.00	6 737 000.00	433 557.00	0.00	433 557.00	0.0
Lachen , Seidenstrasse 2	6 276 000.00	6 587 000.00	346 388.25	0.00	346 388.25	0.0
Lausanne , Avenue de Chailly 1, sold	0.00	0.00	27 802.50	0.00	27 802.50	0.0
Lausanne , Rue de Sébeillon 9/ Sébeillon Centre	15 867 000.00	13 000 000.00	964 121.45	16 591.90	947 529.55	1.7
Lausanne , Rue du Pont 5	39 202 000.00	139 370 000.00	7 164 332.34	12 600.00	7 151 732.34	0.2
Locarno , Largo Zorzi 4/ Piazza Grande	19 935 000.00	25 850 000.00	1 547 708.85	4 620.00	1 543 088.85	0.3
Locarno , Parking Centro	10 516 000.00	14 320 000.00	1 375 181.05	390.00	1 374 791.05	0.0
Locarno , Via delle Monache 8	1 220 000.00	912 400.00	68 084.60	165.00	67 919.60	0.2
Lutry , Route de l'Ancienne Cible 2	18 902 000.00	27 950 000.00	1 718 963.72	13 080.00	1 705 883.72	0.8
Lucerne , Kreuzbuchstrasse 33/35	47 128 000.00	21 910 000.00	1 880 800.80	0.00	1 880 800.80	0.0
Lucerne , Pilatusstrasse 4/Flora	40 218 000.00	62 760 000.00	2 846 239.15	0.00	2 846 239.15	0.0
Lucerne , Schwanenplatz 3	7 878 000.00	15 100 000.00	617 421.40	0.00	617 421.40	0.0
Lucerne , Weggisgasse 20, 22	9 296 000.00	17 100 000.00	662 484.00	0.00	662 484.00	0.0
Lucerne , Weinberglistrasse 4/ Tribtschenstrasse 62	49 438 000.00	59 360 000.00	3 226 621.47	45 018.20	3 181 603.27	1.4
Meilen , Seestrasse 545	12 169 000.00	6 400 000.00	509 826.60	0.00	509 826.60	0.0
Meyrin , Route de Meyrin 210	2 063 000.00	2 334 000.00	192 430.20	0.00	192 430.20	0.0

¹ All costs incurred by the purchase of the property (purchase price, legal fees, transfer of real estate costs, sales commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, et cetera) are recognised as cost.

GENERAL PROPERTY DETAILS

City, address	Vacant space as at 31.12.2014 m² %		Site area m²	Register of contaminated sites² (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Geneva, Route de Meyrin 49	2 051	20.3	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	270	14.5	377	no	1900	2002 partial renovation	29.10.2009	sole ownership
Geneva, Rue du Rhône 48–50	785	2.3	5 166	no	1921	2002 partial renovation	29.10.2009	sole ownership
Glattbrugg, Schaffhauserstrasse 59	147	9.5	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/ CCL La Praille	0	0.0	20 597	no	2002		29.10.2009	sole ownership, land lease
Grand-Lancy, Route des Jeunes 12	0	0.0	5 344	no	2003		29.10.2009	sole ownership, land lease
Heimberg, Gurnigelstrasse 38	0	0.0	7 484	no	2000		29.10.2009	sole ownership, land lease
Horgen, Zugerstrasse 22, 24	0	0.0	868	yes, no action required	1990		31.10.1999	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, sold								
Lausanne, Rue de Sébeillon 9/ Sébeillon Centre	683	6.7	2 923	no	1930	2001 partial renovation	29.10.2009	sole ownership
Lausanne, Rue du Pont 5	24	0.1	3 884	no	1910	2004 partial renovation	29.10.2009	sole ownership
Locarno, Largo Zorzi 4/ Piazza Grande	0	0.0	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 property
Lutry, Route de l'Ancienne Ciblerie 2	99	3.1	13 150	no	2006		29.10.2009	freehold property
Lucerne, Kreuzbuchstrasse 33/35	0	0.0	14 402	no	2010		12.07.2013	sole ownership, land lease
Lucerne, Pilatusstrasse 4/Flora	0	0.0	4 376	no	1979	2008 partial renovation	29.10.2009	freehold property
Lucerne, Schwanenplatz 3	0	0.0	250	no	1958	2004 internal renovation	31.10.1999	sole ownership
Lucerne, Weggisgasse 20, 22	0	0.0	228	no	1982		22.12.2003	sole ownership
Lucerne, Weinberglistrasse 4/ Tribtschenstrasse 62	266	2.4	11 466	yes, no action required	1991	1993 total renovation	01.04.2001	sole ownership
Meilen, Seestrasse 545	0	0.0	1 645	yes, no action required	2008		12.07.2013	sole ownership, land lease
Meyrin, Route de Meyrin 210	0	0.0	3 860	no	1979	1999 partial renovation	29.10.2009	sole ownership, partial land lease

¹ The register of contaminated 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.

FINANCIAL FIGURES AS AT 31.12.2014

City, address	Cost ¹ (before depreciation)	Fair value	Target rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy losses 01.01.–31.12.2014	Net rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy rate (Real Estate segment) %
Commercial properties without significant residential space						
Neuchâtel , Avenue J.-J. Rousseau 7	9 025 000.00	7 722 000.00	512 612.00	9 934.00	502 678.00	1.9
Neuchâtel , Rue de l'Ecluse 19/parking	332 726.00	508 400.00	37 620.00	2 450.00	35 170.00	6.5
Neuchâtel , Rue du Temple-Neuf 11	3 340 000.00	4 744 000.00	278 116.05	100.00	278 016.05	0.0
Neuchâtel , Rue du Temple-Neuf 14	37 257 000.00	37 200 000.00	1 209 721.30	132 191.00	1 077 530.30	10.9
Niederwangen b. Bern , Riedmoosstrasse 10	28 264 000.00	39 770 000.00	2 364 677.40	0.00	2 364 677.40	0.0
Oberbüren , Buchental 2	5 750 000.00	12 510 000.00	766 923.60	0.00	766 923.60	0.0
Oberbüren , Buchental 3	2 849 000.00	3 419 000.00	338 547.00	42 120.00	296 427.00	12.4
Oberbüren , Buchental 3a	2 087 000.00	3 111 000.00	240 052.20	0.00	240 052.20	0.0
Oberbüren , Buchental 4	21 243 000.00	25 350 000.00	1 497 897.00	0.00	1 497 897.00	0.0
Oberbüren , Buchental 5	1 077 965.00	932 100.00	65 400.00	0.00	65 400.00	0.0
Oberwil , Mühlemattstrasse 23	3 508 000.00	3 070 000.00	304 843.20	0.00	304 843.20	0.0
Oftringen , Spitalweidstrasse 1/ shopping centre a1	73 784 000.00	99 350 000.00	6 059 411.85	112 315.40	5 947 096.45	1.9
Olten , Bahnhofquai 18	25 764 000.00	27 800 000.00	1 578 103.20	18 259.20	1 559 844.00	1.2
Olten , Bahnhofquai 20	37 060 000.00	39 510 000.00	2 057 828.80	1 400.00	2 056 428.80	0.1
Olten , Froburgstrasse 1	6 948 000.00	6 431 000.00	123 627.00	24 675.00	98 952.00	20.0
Olten , Froburgstrasse 15	8 860 000.00	11 670 000.00	602 952.00	7 014.00	595 938.00	1.2
Olten , Solothurnerstrasse 201	4 080 000.00	6 133 000.00	333 099.60	0.00	333 099.60	0.0
Olten , Solothurnerstrasse 231–235/ Usego	29 694 000.00	24 100 000.00	1 776 798.50	810 814.80	965 983.70	45.6
Ostermundigen , Mitteldorfstrasse 16	46 088 000.00	32 000 000.00	1 596 106.80	0.00	1 596 106.80	0.0
Otelfingen , Industriestrasse 19/21	110 925 000.00	100 060 000.00	7 421 781.17	130 956.55	7 290 824.62	1.8
Otelfingen , Industriestrasse 31	20 726 000.00	22 960 000.00	1 531 117.60	1 750.00	1 529 367.60	0.1
Payerne , Route de Bussy 2	14 954 184.04	23 090 000.00	1 221 960.00	0.00	1 221 960.00	0.0
Petit-Lancy , Route de Chancy 59	105 165 000.00	119 430 000.00	7 388 154.48	1 083 981.96	6 304 172.52	14.7
Pfäffikon SZ , Huobstrasse 5	54 284 000.00	57 670 000.00	2 799 999.60	0.00	2 799 999.60	0.0
Rapperswil-Jona , Grünfeldstrasse 25, sold	0.00	0.00	333 195.00	0.00	333 195.00	0.0
Rapperswil-Jona , Rathausstrasse 8	16 024 000.00	19 140 000.00	1 050 955.90	3 000.00	1 047 955.90	0.3
Romanel , Chemin du Marais 8	15 151 000.00	19 300 000.00	1 240 864.79	0.00	1 240 864.79	0.0
Rümlang , Hofwisenstrasse 50, sold	0.00	0.00	1 845 205.35	1 103 050.00	742 155.35	59.8
Schwyz , Oberer Steisteg 18, 20	9 436 000.00	8 646 000.00	527 302.00	25.00	527 277.00	0.0
Solothurn , Amthausplatz 1	15 368 000.00	12 440 000.00	869 304.30	0.00	869 304.30	0.0

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GENERAL PROPERTY DETAILS

City, address	Vacant space as at 31.12.2014 m ² %		Site area m ²	Register of contaminated sites ² (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Neuchâtel, Avenue J.-J. Rousseau 7	117	3.8	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	820	11.9	1 928	no	1902/2014		29.10.2009	sole ownership
Niederwangen b. Bern, 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	226	9.6	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, Buchental 5	0	0.0	3 456	yes, no action required	1920		29.10.2009	sole ownership
Oberwil, Mühlemattstrasse 23	0	0.0	6 200	no	1986		29.10.2009	freehold property, land lease
Oftringen, Spitalweidstrasse 1/ shopping centre a1	1 055	5.3	42 031	no	2006		29.10.2009	sole ownership
Olten, Bahnhofquai 18	109	2.1	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, Frohburgstrasse 1	119	9.9	379	no	1899	2009 total renovation	01.07.2008	sole ownership
Olten, Frohburgstrasse 15	42	2.2	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 231–235/ Usego	5 796	48.5	12 922	no	1907	2011 total renovation	29.10.2009	sole ownership
Ostermundigen, Mitteldorfstrasse 16	0	0.0	7 503	no	2009		12.07.2013	sole ownership
Otelfingen, Industriestrasse 19/21	1 499	1.9	101 933	yes, no action required	1965	2000 partial renovation	29.10.2009	sole ownership
Otelfingen, Industriestrasse 31	48	0.4	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	2 442	11.0	13 052	no	1990		01.03.2000	sole ownership
Pfäffikon SZ, Huobstrasse 5	0	0.0	7 005	no	2004		12.07.2013	sole ownership
Rapperswil-Jona, Grünfeldstrasse 25, sold								
Rapperswil-Jona, 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
Rümlang, Hofwisenstrasse 50, sold								
Schwyz, Oberer Steisteg 18, 20	0	0.0	1 039	no	1988	2004 internal renovation	31.10.1999	sole ownership
Solothurn, Amthausplatz 1	0	0.0	1 614	no	1955	1988 total renovation	31.10.1999	sole ownership

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FINANCIAL FIGURES AS AT 31.12.2014

City, address	Cost ¹ (before depreciation)	Fair value	Target rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy losses 01.01.–31.12.2014	Net rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy rate (Real Estate segment) %
Commercial properties without significant residential space						
Spreitenbach , Industriestrasse/Tivoli	6 955 000.00	9 867 000.00	484 200.60	0.00	484 200.60	0.0
Spreitenbach , Müslistrasse 44	3 220 869.21	4 207 000.00	225 373.80	0.00	225 373.80	0.0
Spreitenbach , Pfadackerstrasse 6/ Limmatpark	108 734 000.00	87 440 000.00	6 483 989.74	925 011.60	5 558 978.14	14.3
St. Gallen , Bohl 1/Goliathgasse 6	21 666 000.00	26 870 000.00	1 335 772.00	13 614.00	1 322 158.00	1.0
St. Gallen , Spisergasse 12	7 199 000.00	10 510 000.00	490 348.00	0.00	490 348.00	0.0
St. Gallen , Zürcherstrasse 462–464/ Shopping Arena	201 931 000.00	304 650 000.00	16 930 443.49	189 045.77	16 741 397.72	1.1
Sursee , Moosgasse 20	7 589 000.00	12 110 000.00	654 499.20	0.00	654 499.20	0.0
Thalwil , Gotthardstrasse 40	4 016 000.00	5 583 000.00	272 379.00	0.00	272 379.00	0.0
Thun , Bälliz 67	13 309 000.00	16 010 000.00	631 154.25	0.00	631 154.25	0.0
Thun , Göttibachweg 2–2e, 4, 6, 8	42 949 000.00	38 700 000.00	2 221 488.60	0.00	2 221 488.60	0.0
Uster , Poststrasse 10	8 268 000.00	7 801 000.00	377 016.00	0.00	377 016.00	0.0
Uster , Poststrasse 14/20	9 489 000.00	11 650 000.00	736 224.45	61 715.40	674 509.05	8.4
Vernier , Chemin de l'Etang 72/ Patio Plaza	81 011 000.00	92 280 000.00	5 793 318.70	1 778 499.70	4 014 819.00	30.7
Vevey , Rue de la Clergère 1	11 353 000.00	11 620 000.00	716 664.00	0.00	716 664.00	0.0
Wabern , Nesslerenweg 30	35 465 000.00	18 340 000.00	1 006 875.00	0.00	1 006 875.00	0.0
Wil , Obere Bahnhofstrasse 40	11 088 000.00	17 680 000.00	869 775.60	0.00	869 775.60	0.0
Winterthur , Theaterstrasse 17	65 170 000.00	66 280 000.00	3 411 674.20	3 671.85	3 408 002.35	0.1
Winterthur , Untertor 24	6 495 000.00	9 580 000.00	313 872.00	0.00	313 872.00	0.0
Worblaufen , Alte Tiefenaustasse 6	70 897 000.00	82 810 000.00	4 771 690.80	0.00	4 771 690.80	0.0
Zollikon , Bergstrasse 17, 19	9 603 000.00	11 250 000.00	625 254.50	106 099.50	519 155.00	17.0
Zollikon , Forchstrasse 452–456	14 845 000.00	16 400 000.00	733 956.00	0.00	733 956.00	0.0
Zuchwil , Allmendweg 8/ Riverside Business Park	94 316 000.00	90 450 000.00	7 377 289.90	1 503 197.00	5 874 092.90	20.4
Zuchwil , Dorfackerstrasse 45/ Birchi Centre	26 587 000.00	29 750 000.00	2 406 280.95	2 786.35	2 403 494.60	0.1
Zug , Zählerweg 4, 6/Dammstrasse 19/ Landis+Gyr-Strasse 3/Opus 1	75 479 000.00	119 740 000.00	5 711 625.20	8 194.65	5 703 430.55	0.1
Zug , Zählerweg 8, 10/ Dammstrasse 21, 23/Opus 2	93 211 000.00	151 500 000.00	7 037 714.95	0.00	7 037 714.95	0.0
Zurich , Affolternstrasse 52/ MFO building	14 404 000.00	12 870 000.00	576 729.60	0.00	576 729.60	0.0

¹ All costs incurred by the purchase of the property (purchase price, legal fees, transfer of real estate costs, sales commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, et cetera) are recognised as cost.

GENERAL PROPERTY DETAILS

City, address	Vacant space as at 31.12.2014 m ² %		Site area m ²	Register of contaminated sites ² (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Spreitenbach, Industriestrasse/Tivoli	0	0.0	25 780	yes, no action required	1974	2010 total renovation	29.10.2009	freehold property
Spreitenbach, Müslistrasse 44	0	0.0	2 856	no	2002		29.10.2009	sole ownership
Spreitenbach, Pfadackerstrasse 6/ Limmatpark	5 140	18.8	10 318	no	1972	2003 partial renovation	01.08.2006	sole ownership
St. Gallen, Bohl 1/Goliathgasse 6	57	1.4	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, Zürcherstrasse 462–464/ Shopping Arena	2 218	5.6	33 106	no	2008		29.10.2009	sole ownership, parking 73/100 co-ownership
Sursee, Moosgasse 20	0	0.0	4 171	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
Thun, Göttibachweg 2–2e, 4, 6, 8	0	0.0	14 520	no	2003		12.07.2013	sole ownership, land lease
Uster, Poststrasse 10	0	0.0	701	no	1972	2012 external renovation	31.10.1999	sole ownership
Uster, Poststrasse 14/20	383	12.0	2 449	no	1854	2000 partial renovation	29.10.2009	sole ownership
Vernier, Chemin de l'Étang 72/ Patio Plaza	3 804	27.8	10 170	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
Wabern, Nesslerenweg 30	0	0.0	4 397	no	1990		12.07.2013	sole ownership
Wil, Obere Bahnhofstrasse 40	0	0.0	1 105	no	1958	2008 total renovation	29.10.2009	sole ownership
Winterthur, Theaterstrasse 17	56	0.4	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
Zollikon, Bergstrasse 17, 19	229	10.8	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, Allmendweg 8/ Riverside Business Park	17 940	18.1	170 345	yes, no action required	1943	1965/1995 partial renovation	14.12.2012	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	0	0.0	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 52/ MFO building	0	0.0	1 367	yes, no action required	1889	2012 translocation/ basement	30.09.2011	sole ownership

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FINANCIAL FIGURES AS AT 31.12.2014

City, address	Cost ¹ (before depreciation)	Fair value	Target rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy losses 01.01.–31.12.2014	Net rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy rate (Real Estate segment) %
Commercial properties without significant residential space						
Zurich , Affolternstrasse 54, 56/Cityport	121 327 000.00	171 700 000.00	9 129 351.60	0.00	9 129 351.60	0.0
Zurich , Albisriederstrasse 203	65 619 000.00	66 450 000.00	1 294 367.71	116 989.68	1 177 378.03	9.0
Zurich , Bahnhofstrasse 42	33 047 000.00	78 080 000.00	1 397 246.00	0.00	1 397 246.00	0.0
Zurich , Bahnhofstrasse 69	7 384 000.00	50 320 000.00	1 573 861.36	1 000.00	1 572 861.36	0.1
Zurich , Bahnhofstrasse 106	22 452 000.00	42 440 000.00	1 203 007.55	0.00	1 203 007.55	0.0
Zurich , Brandschenkestrasse 25	127 709 000.00	95 830 000.00	7 164 640.92	6 798 232.32	366 408.60	94.9
Zurich , Carl-Spitteler-Strasse 68/70	79 538 000.00	88 900 000.00	4 045 035.60	0.00	4 045 035.60	0.0
Zurich , Etzelstrasse 14	12 659 000.00	6 620 000.00	110 000.00	0.00	110 000.00	0.0
Zurich , Flurstrasse 89	8 373 000.00	7 426 000.00	466 926.60	0.00	466 926.60	0.0
Zurich , Fraumünsterstrasse 16	128 115 000.00	149 000 000.00	5 193 019.70	1 501 629.40	3 691 390.30	28.9
Zurich , Hagenholzstrasse 60/ SkyKey	248 925 000.00	261 960 000.00	5 574 442.50	0.00	5 574 442.50	0.0
Zurich , Hardstrasse 201/Prime Tower	354 318 000.00	528 230 000.00	21 229 934.27	3 480.00	21 226 454.27	0.0
Zurich , Hardstrasse 219/ Eventblock Maag	12 075 000.00	14 370 000.00	1 092 155.80	0.00	1 092 155.80	0.0
Zurich , Josefstrasse 53, 59	48 408 000.00	79 080 000.00	3 953 983.51	0.00	3 953 983.51	0.0
Zurich , Jupiterstrasse 15/ Böcklinstrasse 19	11 848 000.00	21 430 000.00	931 669.80	0.00	931 669.80	0.0
Zurich , Kappenhühlweg 9, 11/ Holbrigstrasse 10/ Regensdorferstrasse 18a	59 132 000.00	63 300 000.00	2 990 755.80	0.00	2 990 755.80	0.0
Zurich , Maagplatz 1/Platform	102 778 000.00	169 220 000.00	6 921 281.80	0.00	6 921 281.80	0.0
Zurich , Manessestrasse 85	64 582 000.00	50 180 000.00	2 763 270.30	1 538 290.70	1 224 979.60	55.7
Zurich , Ohmstrasse 11, 11a	21 355 000.00	39 760 000.00	2 232 698.40	23 209.00	2 209 489.40	1.0
Zurich , Restelbergstrasse 108	7 511 000.00	9 060 000.00	351 333.00	0.00	351 333.00	0.0
Zurich , Schaffhauserstrasse 339	7 142 000.00	8 324 000.00	463 990.80	18 511.95	445 478.85	4.0
Zurich , Seidengasse 1/ Jelmoli – The House of Brands	197 902 000.00	799 160 000.00	29 557 650.40	0.00	29 557 650.40	0.0
Zurich , Siewerdstrasse 8	20 043 000.00	19 160 000.00	1 230 249.05	0.00	1 230 249.05	0.0
Zurich , Sihlcity	145 884 000.00	202 462 040.00	11 415 778.83	75 372.04	11 340 406.79	0.7
Zurich , Sihlstrasse 24/ St. Annagasse 16	22 190 000.00	38 070 000.00	1 957 469.10	242 414.70	1 715 054.40	12.4
Zurich , Stadelhoferstrasse 18	14 785 000.00	26 000 000.00	1 079 004.00	0.00	1 079 004.00	0.0

¹ All costs incurred by the purchase of the property (purchase price, legal fees, transfer of real estate costs, sales commission, value-adding investments as well as costs of debt regarding properties under construction and development sites, et cetera) are recognised as cost.

GENERAL PROPERTY DETAILS

City, address	Vacant space as at 31.12.2014 m ² %		Site area m ²	Register of contaminated sites ² (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Zurich, Affolternstrasse 54, 56/Cityport	0	0.0	9830	yes, no action required	2001		15.09.1999	sole ownership
Zurich, Albisriederstrasse 203	1 332	9.9	22 745	yes	1942– 2003		27.06.2014	sole ownership
Zurich, Bahnhofstrasse 42	0	0.0	482	no	1968	1990 total renovation	22.12.2003	sole ownership
Zurich, Bahnhofstrasse 69	0	0.0	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	11 734	88.6	3 902	no	1910	2015–2017 total renovation	01.04.2001	sole ownership
Zurich, Carl-Spitteler-Strasse 68/70	0	0.0	11 732	no	1993		12.07.2013	sole ownership
Zurich, Etzelstrasse 14	0	0.0	1 809	no	1967		12.07.2013	sole ownership
Zurich, Flurstrasse 89	0	0.0	2 330	no	1949	2003 internal renovation	31.10.1999	sole ownership
Zurich, Fraumünsterstrasse 16	2 140	24.9	2 475	no	1901	1990 total renovation	01.04.2001	sole ownership
Zurich, Hagenholzstrasse 60/ SkyKey	0	0.0	9 573	yes, was decontami- nated before construction	2014		24.01.2011	sole ownership
Zurich, Hardstrasse 201/Prime Tower	0	0.0	10 416	yes, no action required	2011		n/a	sole ownership
Zurich, Hardstrasse 219/ Eventblock Maag	324	4.7	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, Jupiterstrasse 15/ Böcklinstrasse 19	0	0.0	1 630	no	1900/1995	1996 partial renovation	12.07.2013	sole ownership
Zurich, Kappenbühlweg 9, 11/ Holbrigstrasse 10/ Regensdorferstrasse 18a	0	0.0	9 557	no	1991		12.07.2013	sole ownership
Zurich, Maagplatz 1/Platform	0	0.0	5 942	yes, no action required	2011		n/a	sole ownership
Zurich, Manessestrasse 85	4 051	44.4	3 284	no	1985	2012 partial renovation	01.07.2002	sole ownership
Zurich, Ohmstrasse 11, 11a	119	1.9	1 970	no	1927	2007 partial renovation	29.10.2009	sole ownership
Zurich, Restelbergstrasse 108	0	0.0	1 469	no	1936		12.07.2013	sole ownership
Zurich, Schaffhauserstrasse 339	351	20.3	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	1898	2010 partial renovation	29.10.2009	sole ownership
Zurich, Siewerdstrasse 8	0	0.0	1 114	no	1981		30.06.1998	sole ownership
Zurich, Sihlcity	0	0.0	10 162	no	2007		26.06.2003	242/1000 co-ownership
Zurich, Sihlstrasse 24/ St. Annagasse 16	508	17.7	1 155	no	1885	2007 total renovation	29.10.2009	sole ownership
Zurich, Stadelhoferstrasse 18	0	0.0	1 046	no	1983	2004 internal renovation	30.06.1998	sole ownership

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FINANCIAL FIGURES AS AT 31.12.2014

City, address	Cost ¹ (before depreciation)	Fair value	Target rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy losses 01.01.–31.12.2014	Net rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy rate (Real Estate segment) %
Commercial properties without significant residential space						
Zurich, Stadelhoferstrasse 22	21 170 000.00	35 160 000.00	1 597 657.80	0.00	1 597 657.80	0.0
Zurich, Steinmühleplatz/ Jelmoli parking	25 636 000.00	41 330 000.00	3 417 989.00	136 500.00	3 281 489.00	4.0
Zurich, Steinmühleplatz 1/ St. Annagasse 18/Sihlstrasse 20	42 048 000.00	90 900 000.00	3 816 517.60	34 682.60	3 781 835.00	0.9
Zurich, Talacker 21, 23	49 990 000.00	73 290 000.00	2 975 631.90	0.00	2 975 631.90	0.0
Total I	6 658 429 781.24	9 122 219 940.00	445 045 607.98	29 041 548.75	416 004 059.23	6.5
Mixed properties						
Geneva, Quai du Seujet 30	11 368 000.00	15 120 000.00	933 038.00	93 881.00	839 157.00	10.1
Geneva, Route de Malagnou 6/ Rue Michel-Chauvet 7	12 808 000.00	18 230 000.00	849 447.00	0.00	849 447.00	0.0
Geneva, Rue de la Croix-d'Or 7/ Rue Neuve-du-Molard 4–6	36 995 000.00	60 290 000.00	2 313 218.00	56 696.00	2 256 522.00	2.5
Lausanne, Rue de la Mercerie 14, sold	0.00	0.00	156 646.10	0.00	156 646.10	0.0
Lausanne, Rue de la Mercerie 16–20, sold	0.00	0.00	324 966.95	0.00	324 966.95	0.0
St. Gallen, Spisergasse 12	3 755 000.00	5 126 000.00	223 968.00	0.00	223 968.00	0.0
Thônex, Rue de Genève 104–108	58 861 000.00	92 640 000.00	4 838 961.63	2 974.10	4 835 987.53	0.1
Visp, Kantonsstrasse 8, sold	0.00	0.00	222 119.50	400.00	221 719.50	0.2
Zurich, Höggerstrasse 40/ Röschibachstrasse 22	29 053 000.00	29 450 000.00	1 970 840.30	377 142.70	1 593 697.60	19.1
Zurich, Nansenstrasse 5/7	32 725 000.00	46 140 000.00	2 501 962.40	2 880.00	2 499 082.40	0.1
Zurich, Querstrasse 6	731 697.00	3 963 000.00	165 972.00	180.00	165 792.00	0.1
Zurich, Schulstrasse 34, 36	7 471 000.00	11 630 000.00	547 157.50	0.00	547 157.50	0.0
Total II	193 767 697.00	282 589 000.00	15 048 297.38	534 153.80	14 514 143.58	3.5
Building land						
Basel, Hochbergerstrasse 60/parking	3 050 000.00	3 300 000.00	215 153.55	8 460.00	206 693.55	3.9
Dietikon, Bodacher	94 000.00	0.00	17 138.70	0.00	17 138.70	0.0
Dietikon, Bodacher/Im Maienweg	2 564 923.00	1 997 600.00	300.00	0.00	300.00	0.0
Dietikon, Bodacher/Ziegelärgerten	1 508 972.00	1 798 300.00	0.00	0.00	0.00	0.0
Geneva Airport, Route de Pré-Bois	5 535 622.42	7 338 000.00	0.00	0.00	0.00	0.0
Geneva Airport, Route de Pré-Bois 10/ underground car park	5 200 000.00	7 007 000.00	109 245.00	0.00	109 245.00	0.0
Meyrin, Chemin de Riantbosson, Avenue de Mategnin	6 263 000.00	8 999 000.00	0.00	0.00	0.00	0.0
Niederwangen b. Bern, Riedmoosstrasse 10	604 000.00	3 607 000.00	0.00	0.00	0.00	0.0
Oberbüren, Buchental/parking	694 112.00	651 800.00	29 224.20	0.00	29 224.20	0.0

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GENERAL PROPERTY DETAILS

City, address	Vacant space as at 31.12.2014 m ² %		Site area m ²	Register of contaminated sites ² (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Commercial properties without significant residential space								
Zurich, Stadelhoferstrasse 22	0	0.0	1 024	no	1983	2004 internal renovation	30.06.1998	sole ownership, partial land lease
Zurich, Steinmühleplatz/ Jelmoli parking	84	100.0	1 970	yes, no action required	1972	2009 partial renovation	29.10.2009	sole ownership with concession
Zurich, Steinmühleplatz 1/ St. Annagasse 18/Sihlstrasse 20	82	1.3	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
Total I	112 415	7.1	1 205 346					
Mixed properties								
Geneva, Quai du Seujet 30	270	9.8	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	0	0.0	591	no	1974/1985	1994 partial renovation	15.09.2004	sole ownership
Lausanne, Rue de la Mercerie 14, sold								
Lausanne, Rue de la Mercerie 16–20, sold								
St. Gallen, Spisergasse 12	0	0.0	165	no	1423	1984 partial renovation	01.07.2007	sole ownership
Thônex, Rue de Genève 104–108	11	0.1	9 224	no	2008		29.10.2009	sole ownership
Visp, Kantonsstrasse 8, sold								
Zurich, Hönggerstrasse 40/ Röschibachstrasse 22	868	13.1	2 571	yes, no action required	1986		01.07.1999	sole ownership
Zurich, Nansenstrasse 5/7	12	0.2	1 740	no	1985		29.10.2009	sole ownership
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
Total II	1 161	3.3	16 978					
Building land								
Basel, Hochbergerstrasse 60/parking	0	0.0	5 440	yes, no action required			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/Ziegelärgerten	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	2 156	no	2003		29.10.2009	sole ownership, land lease
Meyrin, Chemin de Riantbosson, Avenue de Mategnin	0	0.0	4 414	yes, no action required			01.01.2014	574/1000 co-ownership
Niederwangen b. Bern, Riedmoosstrasse 10	0	0.0	5 895	register in preparation			29.10.2009	sole ownership
Oberbüren, Buchental/parking	0	0.0	1 825	no			29.10.2009	sole ownership

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FINANCIAL FIGURES AS AT 31.12.2014

City, address	Cost ¹ (before depreciation)	Fair value	Target rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy losses 01.01.–31.12.2014	Net rental and land lease income (Real Estate segment) 01.01.–31.12.2014	Vacancy rate (Real Estate segment) %
Building land						
Plan-les-Ouates , Chemin des Aulx	13 970 000.00	13 820 000.00	107 611.80	0.00	107 611.80	0.0
Spreitenbach , Joosacker 7	1.00	0.00	52 876.80	0.00	52 876.80	0.0
Wangen b. Olten , Rickenbacherfeld	1 434 000.00	4 613 000.00	0.00	0.00	0.00	0.0
Total III	40 918 630.42	53 131 700.00	531 550.05	8 460.00	523 090.05	1.6
Properties under construction and development sites						
Bellinzona , Via San Gottardo 99–99b	19 208 000.00	19 250 000.00	0.00	0.00	0.00	0.0
Opfikon , Müllackerstrasse 2, 4/ Bubenholz	36 901 000.00	33 640 000.00	0.00	0.00	0.00	0.0
Zurich , Flurstrasse 55/Flurpark 2 ³	215 631 000.00	132 120 000.00	141 600.00	0.00	141 600.00	0.0
Zurich , Hardstrasse 219/ Maaghof North and East	64 033 000.00	96 350 000.00	161 400.00	20 810.00	140 590.00	12.9
Zurich , Naphtastrasse 10/ Maaghof North and East ⁴	24 005 000.00	24 005 000.00	0.00	0.00	0.00	0.0
Zurich , Turbinenstrasse 21/ Maaghof North and East ⁴	21 742 000.00	21 742 000.00	0.00	0.00	0.00	0.0
Total IV	381 520 000.00	327 107 000.00	303 000.00	20 810.00	282 190.00	6.9
Overall total, Real Estate segment	7 274 636 108.66	9 785 047 640.00	460 928 455.41	29 604 972.55	431 323 482.86	6.4
Intercompany eliminations			– 53 922 724.92		– 53 922 724.92	
Rental income from third parties, Retail and Gastronomy segment			18 608 643.14		18 608 643.14	
Rental income from third parties from own properties, Assisted Living segment			23 595 902.00		23 595 902.00	
Consolidated subtotal, excluding leased properties			449 210 275.63	29 604 972.55	419 605 303.08	6.6
Rental income from leased properties, Assisted Living segment			23 507 592.00		23 507 592.00	
Consolidated overall total, including leased properties			472 717 867.63	29 604 972.55	443 112 895.08	

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³ reclassified from existing properties to properties under construction due to total modification

⁴ condominiums designated for sale

GENERAL PROPERTY DETAILS

City, address	Vacant space as at 31.12.2014 m ² %		Site area m ²	Register of contaminated sites ² (entry yes/no)	Built	Year of renovation/ type of renovation	Acquired	Ownership status
Building land								
Plan-les-Ouates, Chemin des Aulx	0	0.0	28 429	no			29.10.2009	sole ownership
Spreitenbach, Joosacker 7	0	0.0	16 405	yes			29.10.2009	sole ownership
Wangen b. Olten, Rickenbacherfeld	0	0.0	11 197	no			22.12.2003	sole ownership
Total III	0	0.0	105 081					
Properties under construction and development sites								
Bellinzona, Via San Gottardo 99–99b	0	0.0	7 115	no	2014– 2016		17.04.2014	sole ownership
Opfikon, Müllackerstrasse 2, 4/ Bubenholz	0	0.0	6 169	no	2013– 2015		12.07.2013	sole ownership
Zurich, Flurstrasse 55/Flurpark 2 ³	0	0.0	8 270	no	1979	2013–2015 total renovation	31.10.1999	sole ownership
Zurich, Hardstrasse 219/ Maaghof North and East	0	0.0	8 752	yes, will be decontaminated upon construction	2012– 2015		n/a	sole ownership
Zurich, Naphtastrasse 10/ Maaghof North and East ⁴	0	0.0	1 132	yes, will be decontaminated upon construction	2012– 2015		n/a	sole ownership
Zurich, Turbinenstrasse 21/ Maaghof North and East ⁴	0	0.0	1 315	yes, will be decontaminated upon construction	2012– 2015		n/a	sole ownership
Total IV	0	0.0	32 753					
Overall total	113 576	7.0	1 360 158					

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³ reclassified from existing properties to properties under construction due to total modification

⁴ condominiums designated for sale

PROPERTY STRUCTURE COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Assisted living			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%
Commercial properties without significant residential space																					
Aarau , Bahnhofstrasse 23	4	1 258	60.8	2	255	12.3	0	0	0.0	0	0	0.0	4	556	26.9	0	0	0.0	10	2 069	100.0
Affoltern a.A. , Obere Bahnhofstrasse 14	3	1 418	72.7	0	0	0.0	0	0	0.0	0	0	0.0	6	191	9.8	5	39	2.0	14	1 648	84.5
Amriswil , Weinfelderstrasse 74	6	1 287	41.7	2	21	0.7	3	1 284	41.6	0	0	0.0	4	159	5.2	6	332	10.8	21	3 083	100.0
Baden , Bahnhofstrasse 2	5	914	93.4	0	0	0.0	0	0	0.0	0	0	0.0	1	65	6.6	0	0	0.0	6	979	100.0
Baden , Weite Gasse 34, 36	2	590	37.7	7	632	40.4	0	0	0.0	0	0	0.0	2	169	10.8	0	0	0.0	11	1 391	88.9
Basel , Aeschenvorstadt 2–4	9	946	15.1	8	3 997	63.8	0	0	0.0	0	0	0.0	11	1 320	21.1	0	0	0.0	28	6 263	100.0
Basel , Barfüsserplatz 3	4	1 809	46.8	5	1 284	33.2	0	0	0.0	0	0	0.0	3	768	19.9	3	3	0.1	15	3 864	100.0
Basel , Centralbahnplatz 9/10	2	123	8.5	7	548	38.0	4	302	20.9	0	0	0.0	5	169	11.7	18	146	10.1	36	1 288	89.3
Basel , Elisabethenstrasse 15	8	889	20.8	6	3 092	72.5	0	0	0.0	0	0	0.0	8	284	6.7	0	0	0.0	22	4 265	100.0
Basel , Freie Strasse 26/ Falknerstrasse 3	3	1 250	43.6	10	1 444	50.3	0	0	0.0	0	0	0.0	3	176	6.1	0	0	0.0	16	2 870	100.0
Basel , Freie Strasse 36	4	1 442	59.4	6	330	13.6	0	0	0.0	0	0	0.0	4	279	11.5	12	378	15.6	26	2 429	100.0
Basel , Freie Strasse 68	2	887	11.9	10	4 597	61.6	0	0	0.0	0	0	0.0	5	1 933	25.9	1	43	0.6	18	7 460	100.0
Basel , Henric Petri-Strasse 9/ Elisabethenstrasse 19	2	285	4.3	11	4 863	72.6	0	0	0.0	0	0	0.0	12	1 415	21.1	0	0	0.0	25	6 563	98.0
Basel , Hochbergerstrasse 40/ parking	0	0	0.0	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	1 120	23.4	0	0	0.0	0	0	0.0	1	500	10.5	7	3 162	66.1	13	4 782	100.0
Basel , Hochbergerstrasse 60/ building 860	0	0	0.0	4	737	82.2	0	0	0.0	0	0	0.0	4	126	14.0	2	34	3.8	10	897	100.0
Basel , Hochbergerstrasse 60/ Stückli Business Park 60A–E	0	0	0.0	52	32 321	86.3	0	0	0.0	0	0	0.0	35	1 859	5.0	7	3 261	8.7	94	37 441	100.0
Basel , Hochbergerstrasse 62	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Basel , Hochbergerstrasse 70/ Stückli shopping centre	108	32 531	60.1	11	4 279	7.9	19	9 815	18.1	0	0	0.0	78	6 372	11.8	32	1 129	2.1	248	54 126	100.0
Basel , Messeplatz 12/ Messturm	2	165	0.7	25	13 068	54.2	14	9 818	40.8	0	0	0.0	9	772	3.2	6	270	1.1	56	24 093	100.0
Basel , Peter Merian-Strasse 80	0	0	0.0	25	7 770	85.3	0	0	0.0	0	0	0.0	10	1 340	14.7	0	0	0.0	35	9 110	100.0
Basel , Rebgrasse 20	6	4 361	47.2	6	1 025	11.1	2	1 263	13.7	0	0	0.0	27	2 418	26.2	13	164	1.8	54	9 231	100.0
Belp , Aemmenmattstrasse 43	0	0	0.0	43	7 052	76.2	2	493	5.3	0	0	0.0	21	1 516	16.4	4	194	2.1	70	9 255	100.0
Berlingen , Seestrasse 83, 88, 101, 154	0	0	0.0	0	0	0.0	0	0	0.0	110	8 650	100.0	0	0	0.0	1	0	0.0	111	8 650	100.0
Berlingen , Seestrasse 110	0	0	0.0	7	1 882	100.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	7	1 882	100.0
Berne , Bahnhofplatz 9	6	1 090	67.5	0	0	0.0	0	0	0.0	0	0	0.0	4	526	32.5	1	0	0.0	11	1 616	100.0
Berne , Genfergasse 14	1	654	4.1	7	13 428	85.0	0	0	0.0	0	0	0.0	2	103	0.7	1	1 616	10.2	11	15 801	100.0
Berne , Laupenstrasse 6	3	856	41.4	11	1 031	49.9	0	0	0.0	0	0	0.0	1	6	0.3	4	100	4.8	19	1 993	96.4
Berne , Mingerstrasse 12–18/ PostFinance Arena	1	115	0.2	2	8 294	17.9	0	0	0.0	0	0	0.0	2	37	0.1	5	37 942	81.8	10	46 388	100.0
Berne , Schwarztörstrasse 48	0	0	0.0	14	6 168	75.7	0	0	0.0	0	0	0.0	2	1 873	23.0	2	107	1.3	18	8 148	100.0
Berne , Viktoriastrasse 21, 21a, 21b	0	0	0.0	1	20 650	67.7	0	0	0.0	0	0	0.0	1	3 544	11.6	5	6 107	20.0	7	30 301	99.3
Berne , Wankdorfallee 4/ headquarters Post/Majowa	0	0	0.0	8	31 692	94.2	0	0	0.0	0	0	0.0	1	1 648	4.9	1	310	0.9	10	33 650	100.0
Berne , Weltpoststrasse 5	0	0	0.0	16	17 365	66.5	3	1 170	4.5	0	0	0.0	47	5 719	21.9	19	1 869	7.2	85	26 123	100.0
Biel , Solothurnstrasse 122	7	2 487	74.9	3	91	2.7	0	0	0.0	0	0	0.0	9	508	15.3	3	52	1.6	22	3 138	94.5
Brugg , Hauptstrasse 2	7	2 911	65.8	4	258	5.8	2	147	3.3	0	0	0.0	11	969	21.9	11	136	3.1	35	4 421	100.0

PROPERTY STRUCTURE RESIDENTIAL PROPERTIES

City, address						Total apartments			SUMMARY	
	1–2½ rooms no.	2–2½ rooms no.	3–3½ rooms no.	4–4½ rooms no.	5 or more rooms no.	no.	m²	%	Total leased properties, commercial and resi- dential, 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	302	15.5	18	1 950
Amriswil, Weinfelderstrasse 74	0	0	0	0	0	0	0	0.0	21	3 083
Baden, Bahnhofstrasse 2	0	0	0	0	0	0	0	0.0	6	979
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	28	6 263
Basel, Barfüsserplatz 3	0	0	0	0	0	0	0	0.0	15	3 864
Basel, Centralbahnplatz 9/10	0	0	1	0	0	1	154	10.7	37	1 442
Basel, Elisabethenstrasse 15	0	0	0	0	0	0	0	0.0	22	4 265
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	2 429
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	1	0	1	133	2.0	26	6 696
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	4 782
Basel, Hochbergerstrasse 60/ building 860	0	0	0	0	0	0	0	0.0	10	897
Basel, Hochbergerstrasse 60/ Stücki Business Park 60A–E	0	0	0	0	0	0	0	0.0	94	37 441
Basel, Hochbergerstrasse 62	0	0	0	0	0	0	0	0.0	0	0
Basel, Hochbergerstrasse 70/ Stücki shopping centre	0	0	0	0	0	0	0	0.0	248	54 126
Basel, Messeplatz 12/ Messeturm	0	0	0	0	0	0	0	0.0	56	24 093
Basel, Peter Merian-Strasse 80	0	0	0	0	0	0	0	0.0	35	9 110
Basel, Rebeggasse 20	0	0	0	0	0	0	0	0.0	54	9 231
Belp, Aemmenmattstrasse 43	0	0	0	0	0	0	0	0.0	70	9 255
Berlingen, Seestrasse 83, 88, 101, 154	0	0	0	0	0	0	0	0.0	111	8 650
Berlingen, Seestrasse 110	0	0	0	0	0	0	0	0.0	7	1 882
Berne, Bahnhofplatz 9	0	0	0	0	0	0	0	0.0	11	1 616
Berne, Genfergasse 14	0	0	0	0	0	0	0	0.0	11	15 801
Berne, Laupenstrasse 6	1	0	0	0	0	1	74	3.6	20	2 067
Berne, Mingerstrasse 12–18/ PostFinance Arena	0	0	0	0	0	0	0	0.0	10	46 388
Berne, Schwarztorstrasse 48	0	0	0	0	0	0	0	0.0	18	8 148
Berne, Viktoriastrasse 21, 21a, 21b	0	0	0	0	1	1	209	0.7	8	30 510
Berne, Wankdorfallée 4/ headquarters Post/Majowa	0	0	0	0	0	0	0	0.0	10	33 650
Berne, Weltpoststrasse 5	0	0	0	0	0	0	0	0.0	85	26 123
Biel, Solothurnstrasse 122	0	0	0	0	1	1	182	5.5	23	3 320
Brugg, Hauptstrasse 2	0	0	0	0	0	0	0	0.0	35	4 421

PROPERTY STRUCTURE COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Assisted living			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%
Commercial properties without significant residential space																					
Buchs , St. Gallerstrasse 5	1	236	13.2	5	1 072	60.1	0	0	0.0	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	0	0	0.0	3	177	8.6	1	35	1.7	10	2 061	100.0
Burgdorf , Industry Buchmatt	2	352	2.9	16	644	5.4	0	0	0.0	0	0	0.0	3	10 689	89.3	7	281	2.3	28	11 966	100.0
Carouge , Avenue Cardinal-Mermillod 36–44	20	8 311	23.7	94	20 754	59.2	2	283	0.8	0	0	0.0	47	5 206	14.8	17	530	1.5	180	35 084	100.0
Cham , Dorfplatz 2	1	122	11.4	8	656	61.5	0	0	0.0	0	0	0.0	4	289	27.1	0	0	0.0	13	1 067	100.0
Conthey , Route Cantonale 2	9	1 775	71.6	7	114	4.6	0	0	0.0	0	0	0.0	3	492	19.8	3	99	4.0	22	2 480	100.0
Conthey , Route Cantonale 4	9	4 347	86.3	0	0	0.0	1	150	3.0	0	0	0.0	3	302	6.0	8	239	4.7	21	5 038	100.0
Conthey , Route Cantonale 11	6	5 273	72.0	10	558	7.6	1	51	0.7	0	0	0.0	12	1 170	16.0	5	143	2.0	34	7 195	98.2
Dietikon , Bahnhofplatz 11/ Neumattstrasse 24	1	347	19.5	7	1 001	56.1	0	0	0.0	0	0	0.0	1	435	24.4	0	0	0.0	9	1 783	100.0
Dietikon , Kirchstrasse 20	6	445	23.5	5	1 232	65.0	0	0	0.0	0	0	0.0	6	217	11.5	0	0	0.0	17	1 894	100.0
Dietikon , Zentralstrasse 12	2	1 336	40.9	7	201	6.2	0	0	0.0	0	0	0.0	9	1 518	46.5	4	211	6.5	22	3 266	100.0
Dübendorf , Bahnhofstrasse 1	2	296	17.7	3	990	59.2	0	0	0.0	0	0	0.0	6	385	23.0	0	0	0.0	11	1 671	100.0
Eyholz , Kantonsstrasse 79	4	1 218	92.2	4	75	5.7	0	0	0.0	0	0	0.0	0	0	0.0	4	28	2.1	12	1 321	100.0
Frauenfeld , St. Gallerstrasse 30–30c	0	0	0.0	0	0	0.0	0	0	0.0	80	9 528	100.0	0	0	0.0	0	0	0.0	80	9 528	100.0
Frauenfeld , Zürcherstrasse 305	5	2 362	54.7	6	801	18.5	0	0	0.0	0	0	0.0	5	781	18.1	7	115	2.7	23	4 059	94.0
Frick , Hauptstrasse 132/ Fricktal Centre A3	12	3 335	66.9	0	0	0.0	1	158	3.2	0	0	0.0	8	779	15.6	11	712	14.3	32	4 984	100.0
Füllinsdorf , Schneckelerstrasse 1, sold																					
Geneva , Centre Rhône-Fusterie	4	8 527	76.2	1	29	0.3	0	0	0.0	0	0	0.0	2	2 630	23.5	0	0	0.0	7	11 186	100.0
Geneva , Place Cornavin 10	2	486	17.5	13	307	11.1	13	1 683	60.6	0	0	0.0	5	181	6.5	7	120	4.3	40	2 777	100.0
Geneva , Place du Molard 2–4	11	2 539	35.4	21	4 046	56.4	1	155	2.2	0	0	0.0	5	266	3.7	7	172	2.4	45	7 178	100.0
Geneva , Route de Meyrin 49	0	0	0.0	24	8 677	85.7	0	0	0.0	0	0	0.0	15	1 323	13.1	9	36	0.4	48	10 036	99.2
Geneva , Rue Céard 14/ Croix-d'Or 11	5	1 107	66.0	0	0	0.0	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	6	931	50.1	6	556	29.9	2	178	9.6	0	0	0.0	4	152	8.2	5	43	2.3	23	1 860	100.0
Geneva , Rue du Rhône 48–50	12	14 796	44.3	43	11 147	33.3	2	2 395	7.2	0	0	0.0	23	3 047	9.1	23	2 046	6.1	103	33 431	100.0
Glattbrugg , Schaffhauserstrasse 59	1	216	14.0	5	921	59.6	0	0	0.0	0	0	0.0	5	409	26.5	0	0	0.0	11	1 546	100.0
Gossau , Wilerstrasse 82	7	3 664	78.1	5	98	2.1	0	0	0.0	0	0	0.0	3	501	10.7	13	426	9.1	28	4 689	100.0
Grand-Lancy , Route des Jeunes 10/ CCL La Praille	57	18 702	51.3	2	313	0.9	11	7 287	20.0	0	0	0.0	43	6 045	16.6	71	4 098	11.2	184	36 445	100.0
Grand-Lancy , Route des Jeunes 12	2	427	3.3	18	4 855	38.0	8	5 477	42.9	0	0	0.0	19	1 743	13.7	7	263	2.1	54	12 765	100.0
Heimberg , Gurnigelstrasse 38	3	1 290	83.6	5	43	2.8	0	0	0.0	0	0	0.0	3	108	7.0	4	102	6.6	15	1 543	100.0
Horgen , Zugerstrasse 22, 24	1	264	11.0	14	1 820	75.6	0	0	0.0	0	0	0.0	2	324	13.5	0	0	0.0	17	2 408	100.0
La Chaux-de-Fonds , Boulevard des Eplatures 44	7	2 372	94.7	5	42	1.7	0	0	0.0	0	0	0.0	2	76	3.0	2	16	0.6	16	2 506	100.0
Lachen , Seidenstrasse 2	1	213	13.9	6	1 035	67.6	0	0	0.0	0	0	0.0	2	284	18.5	0	0	0.0	9	1 532	100.0
Lausanne , Avenue de Chailly 1, sold																					
Lausanne , Rue de Sébeillon 9/ Sébeillon Centre	2	853	8.4	30	5 707	56.4	0	0	0.0	0	0	0.0	26	2 497	24.7	13	1 066	10.5	71	10 123	100.0

PROPERTY STRUCTURE RESIDENTIAL PROPERTIES

City, address						Total apartments			SUMMARY	
	1-2½ rooms no.	2-2½ rooms no.	3-3½ rooms no.	4-4½ rooms no.	5 or more rooms no.	no.	m²	%	Total leased properties, commercial and resi- dential, excl. parking no.	m²
Commercial properties without significant residential space										
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	11 966
Carouge , Avenue Cardinal-Mermillod 36-44	0	0	0	0	0	0	0	0.0	180	35 084
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	2 480
Conthey , Route Cantonale 4	0	0	0	0	0	0	0	0.0	21	5 038
Conthey , Route Cantonale 11	0	0	0	1	0	1	129	1.8	35	7 324
Dietikon , Bahnhofplatz 11/ Neumattstrasse 24	0	0	0	0	0	0	0	0.0	9	1 783
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	22	3 266
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	1 321
Frauenfeld , St. Gallerstrasse 30-30c	0	0	0	0	0	0	0	0.0	80	9 528
Frauenfeld , Zürcherstrasse 305	2	0	1	1	0	4	260	6.0	27	4 319
Frick , Hauptstrasse 132/ Fricktal Centre A3	0	0	0	0	0	0	0	0.0	32	4 984
Füllinsdorf , Schneckelerstrasse 1, sold										
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	2 777
Geneva , Place du Molard 2-4	0	0	0	0	0	0	0	0.0	45	7 178
Geneva , Route de Meyrin 49	0	0	0	0	1	1	83	0.8	49	10 119
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	23	1 860
Geneva , Rue du Rhône 48-50	0	0	0	0	0	0	0	0.0	103	33 431
Glattpburg , Schaffhauserstrasse 59	0	0	0	0	0	0	0	0.0	11	1 546
Gossau , Wilerstrasse 82	0	0	0	0	0	0	0	0.0	28	4 689
Grand-Lancy , Route des Jeunes 10/ CCL La Praille	0	0	0	0	0	0	0	0.0	184	36 445
Grand-Lancy , Route des Jeunes 12	0	0	0	0	0	0	0	0.0	54	12 765
Heimberg , Gurnigelstrasse 38	0	0	0	0	0	0	0	0.0	15	1 543
Horgen , Zugerstrasse 22, 24	0	0	0	0	0	0	0	0.0	17	2 408
La Chaux-de-Fonds , Boulevard des Eplatures 44	0	0	0	0	0	0	0	0.0	16	2 506
Lachen , Seidenstrasse 2	0	0	0	0	0	0	0	0.0	9	1 532
Lausanne , Avenue de Chaillay 1, sold										
Lausanne , Rue de Sébeillon 9/ Sébeillon Centre	0	0	0	0	0	0	0	0.0	71	10 123

PROPERTY STRUCTURE COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Assisted living			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%
Commercial properties without significant residential space																					
Lausanne , Rue du Pont 5	9	10 520	50.6	46	4 840	23.3	1	1 910	9.2	0	0	0.0	16	2 097	10.1	19	1 435	6.9	91	20 802	100.0
Locarno , Largo Zorzi 4/ Piazza Grande	5	4 104	61.3	8	939	14.0	2	111	1.7	0	0	0.0	7	682	10.2	14	364	5.4	36	6 200	92.7
Locarno , Parking Centro	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	5	50	100.0	5	0	0.0	10	50	100.0
Locarno , Via delle Monache 8	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	2	239	93.4	1	17	6.6	3	256	100.0
Lutry , Route de l'Ancienne Ciblerie 2	8	2 344	72.5	1	89	2.8	2	149	4.6	0	0	0.0	5	477	14.8	11	173	5.4	27	3 232	100.0
Lucerne , Kreuzbuchstrasse 33/35	0	0	0.0	0	0	0.0	0	0	0.0	94	10 533	100.0	0	0	0.0	0	0	0.0	94	10 533	100.0
Lucerne , Pilatusstrasse 4/Flora	9	6 868	69.4	16	1 203	12.2	0	0	0.0	0	0	0.0	8	953	9.6	11	868	8.8	44	9 892	100.0
Lucerne , Schwanenplatz 3	1	163	10.8	5	946	62.6	0	0	0.0	0	0	0.0	3	283	18.7	1	8	0.5	10	1 400	92.6
Lucerne , Weggisgasse 20, 22	5	987	76.8	0	0	0.0	0	0	0.0	0	0	0.0	2	298	23.2	0	0	0.0	7	1 285	100.0
Lucerne , Weinberglistrasse 4/ Tribtschenstrasse 62	2	262	2.3	47	8 844	78.3	1	532	4.7	0	0	0.0	17	714	6.3	22	950	8.4	89	11 302	100.0
Meilen , Seestrasse 545	0	0	0.0	0	0	0.0	0	0	0.0	15	2 458	100.0	0	0	0.0	0	0	0.0	15	2 458	100.0
Meyrin , Route de Meyrin 210	1	733	65.6	3	49	4.4	0	0	0.0	0	0	0.0	1	175	15.7	4	160	14.3	9	1 117	100.0
Neuchâtel , Avenue J.-J. Rousseau 7	0	0	0.0	19	2 188	70.2	0	0	0.0	0	0	0.0	9	693	22.2	1	236	7.6	29	3 117	100.0
Neuchâtel , 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	0	0	0.0
Neuchâtel , Rue du Temple-Neuf 11	4	212	18.4	9	651	56.5	0	0	0.0	0	0	0.0	9	160	13.9	7	35	3.0	29	1 058	91.8
Neuchâtel , Rue du Temple-Neuf 14	6	3 137	45.5	7	1 695	24.6	0	0	0.0	0	0	0.0	6	759	11.0	4	12	0.2	23	5 603	81.3
Niederwangen b. Bern , Riedmoosstrasse 10	10	4 287	33.2	9	1 694	13.1	0	0	0.0	0	0	0.0	21	5 918	45.8	9	966	7.5	49	12 865	99.5
Oberbüren , Buchental 2	2	2 226	34.3	5	116	1.8	0	0	0.0	0	0	0.0	7	4 045	62.4	5	99	1.5	19	6 486	100.0
Oberbüren , Buchental 3	2	485	20.7	5	762	32.5	0	0	0.0	0	0	0.0	5	739	31.6	3	122	5.2	15	2 108	90.0
Oberbüren , Buchental 3a	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	9	2 464	100.0	1	0	0.0	10	2 464	100.0
Oberbüren , Buchental 4	16	3 676	38.5	2	1 937	20.3	0	0	0.0	0	0	0.0	5	3 934	41.2	1	0	0.0	24	9 547	100.0
Oberbüren , Buchental 5	0	0	0.0	3	199	12.1	0	0	0.0	0	0	0.0	0	0	0.0	9	1 207	73.2	12	1 406	85.3
Oberwil , Mühlemattstrasse 23	3	1 046	63.4	5	69	4.2	0	0	0.0	0	0	0.0	5	477	28.9	6	59	3.6	19	1 651	100.0
Oftringen , Spitalweidstrasse 1/ shopping centre a1	43	15 765	78.5	4	650	3.2	2	283	1.4	0	0	0.0	21	2 656	13.2	44	720	3.6	114	20 074	100.0
Olten , Bahnhofquai 18	0	0	0.0	10	4 803	93.6	0	0	0.0	0	0	0.0	2	331	6.4	0	0	0.0	12	5 134	100.0
Olten , Bahnhofquai 20	0	0	0.0	12	6 294	85.4	0	0	0.0	0	0	0.0	4	1 072	14.6	0	0	0.0	16	7 366	100.0
Olten , Frohburgstrasse 1	0	0	0.0	5	936	78.3	0	0	0.0	0	0	0.0	3	260	21.7	0	0	0.0	8	1 196	100.0
Olten , Frohburgstrasse 15	0	0	0.0	7	1 657	88.0	0	0	0.0	0	0	0.0	7	225	12.0	1	0	0.0	15	1 882	100.0
Olten , Solothurnerstrasse 201	1	991	62.2	0	0	0.0	0	0	0.0	0	0	0.0	2	502	31.5	2	99	6.2	5	1 592	100.0
Olten , Solothurnerstrasse 231–235/Usego	3	2 778	23.3	16	7 650	64.0	0	0	0.0	0	0	0.0	5	1 186	9.9	6	333	2.8	30	11 947	100.0
Ostermundigen , Mitteldorfstrasse 16	0	0	0.0	0	0	0.0	0	0	0.0	106	10 925	100.0	0	0	0.0	0	0	0.0	106	10 925	100.0
Otelfingen , Industriestrasse 19/21	0	0	0.0	50	13 320	16.6	0	0	0.0	0	0	0.0	67	62 852	78.2	29	3 980	5.0	146	80 152	99.7
Otelfingen , Industriestrasse 31	0	0	0.0	25	4 002	34.6	1	48	0.4	0	0	0.0	13	6 622	57.3	14	888	7.7	53	11 560	100.0
Payerne , Route de Bussy 2	1	5 055	84.0	4	263	4.4	0	0	0.0	0	0	0.0	1	429	7.1	5	271	4.5	11	6 018	100.0

PROPERTY STRUCTURE RESIDENTIAL PROPERTIES

										SUMMARY	
	1–2½ rooms	2–2½ rooms	3–3½ rooms	4–4½ rooms	5 or more rooms	Total apartments			Total leased properties, commercial and residential, excl. parking		
City, address	no.	no.	no.	no.	no.	no.	m²	%	no.	m²	
Commercial properties without significant residential space											
Lausanne, Rue du Pont 5	0	0	0	0	0	0	0	0.0	91	20802	
Locarno, Largo Zorzi 4/ Piazza Grande	0	0	5	1	0	6	490	7.3	42	6690	
Locarno, Parking Centro	0	0	0	0	0	0	0	0.0	10	50	
Locarno, Via delle Monache 8	0	0	0	0	0	0	0	0.0	3	256	
Lutry, Route de l’Ancienne Ciblerie 2	0	0	0	0	0	0	0	0.0	27	3232	
Lucerne, Kreuzbuchstrasse 33/35	0	0	0	0	0	0	0	0.0	94	10533	
Lucerne, Pilatusstrasse 4/Flora	0	0	0	0	0	0	0	0.0	44	9892	
Lucerne, Schwanenplatz 3	0	0	0	1	0	1	112	7.4	11	1512	
Lucerne, Weggisgasse 20, 22	0	0	0	0	0	0	0	0.0	7	1285	
Lucerne, Weinberglistrasse 4/ Tribtschenstrasse 62	0	0	0	0	0	0	0	0.0	89	11302	
Meilen, Seestrasse 545	0	0	0	0	0	0	0	0.0	15	2458	
Meyrin, Route de Meyrin 210	0	0	0	0	0	0	0	0.0	9	1117	
Neuchâtel, Avenue J.-J. Rousseau 7	0	0	0	0	0	0	0	0.0	29	3117	
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	8.2	30	1153	
Neuchâtel, Rue du Temple-Neuf 14	1	0	2	7	1	11	1293	18.8	34	6896	
Niederwangen b. Bern, Riedmoosstrasse 10	0	1	0	0	0	1	60	0.5	50	12925	
Oberbüren, Buchental 2	0	0	0	0	0	0	0	0.0	19	6486	
Oberbüren, Buchental 3	0	0	0	2	0	2	234	10.0	17	2342	
Oberbüren, Buchental 3a	0	0	0	0	0	0	0	0.0	10	2464	
Oberbüren, Buchental 4	0	0	0	0	0	0	0	0.0	24	9547	
Oberbüren, Buchental 5	0	0	2	0	0	2	242	14.7	14	1648	
Oberwil, Mühlemattstrasse 23	0	0	0	0	0	0	0	0.0	19	1651	
Oftringen, Spitalweidstrasse 1/ shopping centre a1	0	0	0	0	0	0	0	0.0	114	20074	
Olten, Bahnhofquai 18	0	0	0	0	0	0	0	0.0	12	5134	
Olten, Bahnhofquai 20	0	0	0	0	0	0	0	0.0	16	7366	
Olten, Frohburgstrasse 1	0	0	0	0	0	0	0	0.0	8	1196	
Olten, Frohburgstrasse 15	0	0	0	0	0	0	0	0.0	15	1882	
Olten, Solothurnerstrasse 201	0	0	0	0	0	0	0	0.0	5	1592	
Olten, Solothurnerstrasse 231–235/Usego	0	0	0	0	0	0	0	0.0	30	11947	
Ostermundigen, Mitteldorfstrasse 16	0	0	0	0	0	0	0	0.0	106	10925	
Otelfingen, Industriestrasse 19/21	0	0	1	1	0	2	214	0.3	148	80366	
Otelfingen, Industriestrasse 31	0	0	0	0	0	0	0	0.0	53	11560	
Payerne, Route de Bussy 2	0	0	0	0	0	0	0	0.0	11	6018	

PROPERTY STRUCTURE COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Assisted living			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%
Commercial properties without significant residential space																					
Petit-Lancy, Route de Chancy 59	0	0	0.0	20	15 429	69.6	1	1 237	5.6	0	0	0.0	12	4 796	21.6	18	712	3.2	51	22 174	100.0
Pfäffikon SZ, Huobstrasse 5	0	0	0.0	0	0	0.0	0	0	0.0	95	11 660	100.0	0	0	0.0	0	0	0.0	95	11 660	100.0
Rapperswil-Jona, Grünfeld- strasse 25, sold																					
Rapperswil-Jona, Rathausstrasse 8	4	743	23.6	6	1 591	50.6	0	0	0.0	0	0	0.0	12	809	25.7	1	0	0.0	23	3 143	100.0
Romanel, Chemin du Marais 8	11	5 996	88.3	1	14	0.2	0	0	0.0	0	0	0.0	7	709	10.4	4	72	1.1	23	6 791	100.0
Rümlang, Hofwisenstrasse 50, sold																					
Schwyz, Oberer Steisteg 18, 20	2	231	8.6	11	1 559	58.3	0	0	0.0	0	0	0.0	13	882	33.0	0	0	0.0	26	2 672	100.0
Solothurn, Amthausplatz 1	2	602	17.9	7	1 942	57.9	0	0	0.0	0	0	0.0	3	811	24.2	0	0	0.0	12	3 355	100.0
Spreitenbach, Industriestrasse/ Tivoli	1	855	87.2	0	0	0.0	0	0	0.0	0	0	0.0	1	125	12.8	0	0	0.0	2	980	100.0
Spreitenbach, Müslistrasse 44	0	0	0.0	1	36	7.0	1	156	30.2	0	0	0.0	1	21	4.1	5	304	58.8	8	517	100.0
Spreitenbach, Pfadackerstrasse 6/ Limmatpark	7	15 517	56.7	16	7 695	28.1	0	0	0.0	0	0	0.0	4	3 975	14.5	3	0	0.0	30	27 187	99.3
St. Gallen, Bohl 1/ Goliathgasse 6	0	0	0.0	7	1 562	37.4	4	2 180	52.2	0	0	0.0	1	64	1.5	0	0	0.0	12	3 806	91.2
St. Gallen, Spisergasse 12	5	885	82.7	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	5	885	82.7
St. Gallen, Zürcherstrasse 462–464/Shopping Arena	52	23 028	57.8	10	3 818	9.6	7	1 600	4.0	0	0	0.0	55	7 852	19.7	42	3 547	8.9	166	39 845	100.0
Sursee, Moosgasse 20	7	1 861	77.2	0	0	0.0	1	164	6.8	0	0	0.0	5	385	16.0	0	0	0.0	13	2 410	100.0
Thalwil, Gotthardstrasse 40	1	90	9.1	7	570	57.8	1	130	13.2	0	0	0.0	4	196	19.9	0	0	0.0	13	986	100.0
Thun, Bälliz 67	4	1 027	32.4	15	1 625	51.2	1	65	2.0	0	0	0.0	5	338	10.7	1	0	0.0	26	3 055	96.3
Thun, Göttibachweg 2–2e, 4, 6, 8	0	0	0.0	0	0	0.0	0	0	0.0	112	11 556	100.0	0	0	0.0	0	0	0.0	112	11 556	100.0
Uster, Poststrasse 10	1	245	17.1	4	877	61.3	0	0	0.0	0	0	0.0	2	309	21.6	1	0	0.0	8	1 431	100.0
Uster, Poststrasse 14/20	4	2 023	63.3	4	375	11.7	1	121	3.8	0	0	0.0	18	622	19.5	5	54	1.7	32	3 195	100.0
Vernier, Chemin de l'Étang 72/ Patio Plaza	0	0	0.0	19	11 229	82.2	0	0	0.0	0	0	0.0	21	2 336	17.1	1	101	0.7	41	13 666	100.0
Vevey, Rue de la Clergère 1	1	479	15.5	13	2 235	72.5	0	0	0.0	0	0	0.0	1	370	12.0	0	0	0.0	15	3 084	100.0
Wabern, Nesslerenweg 30	0	0	0.0	0	0	0.0	0	0	0.0	65	6 288	100.0	0	0	0.0	0	0	0.0	65	6 288	100.0
Wil, Obere Bahnhofstrasse 40	6	2 312	80.3	6	248	8.6	0	0	0.0	0	0	0.0	4	208	7.2	5	110	3.8	21	2 878	100.0
Winterthur, Theaterstrasse 17	0	0	0.0	31	10 420	73.7	3	198	1.4	0	0	0.0	6	873	6.2	11	2 656	18.8	51	14 147	100.0
Winterthur, Untertor 24	4	953	69.9	0	0	0.0	0	0	0.0	0	0	0.0	2	411	30.1	0	0	0.0	6	1 364	100.0
Worblaufen, Alte Tiefenaustrasse 6	0	0	0.0	4	15 909	87.3	0	0	0.0	0	0	0.0	1	2 189	12.0	2	115	0.6	7	18 213	100.0
Zollikon, Bergstrasse 17, 19	1	554	26.1	5	939	44.2	0	0	0.0	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	0	0	0.0	3	711	31.6	0	0	0.0	11	2 251	100.0
Zuchwil, Allmendweg 8/ Riverside Business Park	1	886	0.9	21	8 493	8.6	1	673	0.7	0	0	0.0	54	20 831	21.0	30	68 274	68.9	107	99 157	100.0
Zuchwil, Dorfackerstrasse 45/ Birchi Centre	10	10 084	76.0	4	218	1.6	0	0	0.0	0	0	0.0	20	1 771	13.3	12	889	6.7	46	12 962	97.6
Zug, Zählerweg 4, 6/ Dammstrasse 19/Landis+Gyr- Strasse 3/Opus 1	0	0	0.0	25	14 267	89.7	0	0	0.0	0	0	0.0	19	1 631	10.3	0	0	0.0	44	15 898	100.0

PROPERTY STRUCTURE RESIDENTIAL PROPERTIES

City, address						Total apartments			SUMMARY	
	1–2½ rooms no.	2–2½ rooms no.	3–3½ rooms no.	4–4½ rooms no.	5 or more rooms no.	no.	m²	%	Total leased properties, commercial and resi- dential, excl. parking no.	m²
Commercial properties without significant residential space										
Petit-Lancy, Route de Chancy 59	0	0	0	0	0	0	0	0.0	51	22 174
Pfäffikon SZ, Huobstrasse 5	0	0	0	0	0	0	0	0.0	95	11 660
Rapperswil-Jona, Grünfeld- strasse 25, sold										
Rapperswil-Jona, 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	23	6 791
Rümlang, Hofwisenstrasse 50, sold										
Schwyz, Oberer Steisteg 18, 20	0	0	0	0	0	0	0	0.0	26	2 672
Solothurn, Amthausplatz 1	0	0	0	0	0	0	0	0.0	12	3 355
Spreitenbach, Industriestrasse/ Tivoli	0	0	0	0	0	0	0	0.0	2	980
Spreitenbach, Müslistrasse 44	0	0	0	0	0	0	0	0.0	8	517
Spreitenbach, Pfadackerstrasse 6/ Limmatpark	0	1	0	1	0	2	184	0.7	32	27 371
St. Gallen, Bohl 1/ Goliathgasse 6	1	1	1	1	0	4	369	8.8	16	4 175
St. Gallen, Spisergasse 12	0	0	0	0	1	1	185	17.3	6	1 070
St. Gallen, Zürcherstrasse 462–464/Shopping Arena	0	0	0	0	0	0	0	0.0	166	39 845
Sursee, Moosgasse 20	0	0	0	0	0	0	0	0.0	13	2 410
Thalwil, Gotthardstrasse 40	0	0	0	0	0	0	0	0.0	13	986
Thun, Bälliz 67	0	0	1	0	0	1	118	3.7	27	3 173
Thun, Göttibachweg 2–2e, 4, 6, 8	0	0	0	0	0	0	0	0.0	112	11 556
Uster, Poststrasse 10	0	0	0	0	0	0	0	0.0	8	1 431
Uster, Poststrasse 14/20	0	0	0	0	0	0	0	0.0	32	3 195
Vernier, Chemin de l'Etang 72/ Patio Plaza	0	0	0	0	0	0	0	0.0	41	13 666
Vevey, Rue de la Clergère 1	0	0	0	0	0	0	0	0.0	15	3 084
Wabern, Nesslerenweg 30	0	0	0	0	0	0	0	0.0	65	6 288
Wil, Obere Bahnhofstrasse 40	0	0	0	0	0	0	0	0.0	21	2 878
Winterthur, Theaterstrasse 17	0	0	0	0	0	0	0	0.0	51	14 147
Winterthur, Untertor 24	0	0	0	0	0	0	0	0.0	6	1 364
Worblaufen, Alte Tiefenaustrasse 6	0	0	0	0	0	0	0	0.0	7	18 213
Zollikon, Bergstrasse 17, 19	0	0	0	0	0	0	0	0.0	17	2 126
Zollikon, Forchstrasse 452–456	0	0	0	0	0	0	0	0.0	11	2 251
Zuchwil, Allmendweg 8/ Riverside Business Park	0	0	0	0	0	0	0	0.0	107	99 157
Zuchwil, Dorfackerstrasse 45/ Birchi Centre	0	0	0	0	2	2	312	2.4	48	13 274
Zug, Zählerweg 4, 6/ Dammstrasse 19/Landis+Gyr- Strasse 3/Opus 1	0	0	0	0	0	0	0	0.0	44	15 898

PROPERTY STRUCTURE COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Assisted living			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%
Commercial properties without significant residential space																					
Zug , Zählerweg 8, 10/ Dammstrasse 21, 23/Opus 2	0	0	0.0	20	18 133	90.7	0	0	0.0	0	0	0.0	6	1 861	9.3	0	0	0.0	26	19 994	100.0
Zurich , Affolternstrasse 52/ MFO building	0	0	0.0	3	1 476	53.2	1	715	25.8	0	0	0.0	1	585	21.1	0	0	0.0	5	2 776	100.0
Zurich , Affolternstrasse 54, 56/ Cityport	0	0	0.0	13	21 574	92.1	0	0	0.0	0	0	0.0	4	1 775	7.6	1	71	0.3	18	23 420	100.0
Zurich , Albisriederstrasse 203	0	0	0.0	21	8 251	61.4	1	2 087	15.5	0	0	0.0	12	2 648	19.7	15	443	3.3	49	13 429	100.0
Zurich , Bahnhofstrasse 42	3	855	42.7	5	893	44.6	0	0	0.0	0	0	0.0	2	255	12.7	3	0	0.0	13	2 003	100.0
Zurich , Bahnhofstrasse 69	1	121	10.9	12	865	77.6	0	0	0.0	0	0	0.0	6	124	11.1	7	4	0.4	26	1 114	100.0
Zurich , Bahnhofstrasse 106	1	141	11.8	6	635	53.1	0	0	0.0	0	0	0.0	6	384	32.1	4	36	3.0	17	1 196	100.0
Zurich , Brandschenkestrasse 25	2	392	3.0	16	11 412	86.2	0	0	0.0	0	0	0.0	27	855	6.5	12	587	4.4	57	13 246	100.0
Zurich , Carl-Spitteler- Strasse 68/70	0	0	0.0	0	0	0.0	0	0	0.0	144	19 343	100.0	0	0	0.0	0	0	0.0	144	19 343	100.0
Zurich , Etzelstrasse 14	0	0	0.0	0	0	0.0	0	0	0.0	1	2 080	100.0	0	0	0.0	0	0	0.0	1	2 080	100.0
Zurich , Flurstrasse 89	0	0	0.0	1	400	12.0	0	0	0.0	0	0	0.0	1	375	11.3	6	2 556	76.7	8	3 331	100.0
Zurich , Fraumünsterstrasse 16	1	1 317	15.3	10	6 436	75.0	0	0	0.0	0	0	0.0	21	832	9.7	2	0	0.0	34	8 585	100.0
Zurich , Hagenholzstrasse 60/ SkyKey	2	143	0.3	18	35 325	85.6	4	4 053	9.8	0	0	0.0	3	1 732	4.2	0	0	0.0	27	41 253	100.0
Zurich , Hardstrasse 201/ Prime Tower	1	321	0.7	49	42 427	88.1	9	2 283	4.7	0	0	0.0	18	3 084	6.4	2	27	0.1	79	48 142	100.0
Zurich , Hardstrasse 219/ Eventblock Maag	0	0	0.0	14	1 360	19.9	0	0	0.0	0	0	0.0	18	1 312	19.2	10	4 168	60.9	42	6 840	100.0
Zurich , Josefstrasse 53, 59	5	848	7.0	19	9 115	75.1	1	165	1.4	0	0	0.0	24	2 012	16.6	0	0	0.0	49	12 140	100.0
Zurich , Jupiterstrasse 15/ Böcklinstrasse 19	0	0	0.0	0	0	0.0	0	0	0.0	28	1 829	100.0	0	0	0.0	0	0	0.0	28	1 829	100.0
Zurich , Kappenhühlweg 9, 11/ Holbrigstrasse 10/ Regensdorferstrasse 18a	0	0	0.0	0	0	0.0	0	0	0.0	121	14 790	100.0	0	0	0.0	0	0	0.0	121	14 790	100.0
Zurich , Maagplatz 1/Platform	0	0	0.0	7	18 500	91.0	0	0	0.0	0	0	0.0	4	985	4.8	6	834	4.1	17	20 319	100.0
Zurich , Manessestrasse 85	2	375	4.1	12	5 577	61.2	0	0	0.0	0	0	0.0	29	3 162	34.7	0	0	0.0	43	9 114	100.0
Zurich , Ohmstrasse 11, 11a	11	3 300	53.3	4	1 410	22.8	1	133	2.1	0	0	0.0	17	1 053	17.0	25	301	4.9	58	6 197	100.0
Zurich , Restelbergstrasse 108	0	0	0.0	0	0	0.0	0	0	0.0	16	672	100.0	0	0	0.0	0	0	0.0	16	672	100.0
Zurich , Schaffhauserstrasse 339	1	219	12.7	5	1 197	69.4	0	0	0.0	0	0	0.0	3	310	18.0	0	0	0.0	9	1 726	100.0
Zurich , Seidengasse 1/ Jelmoli – The House of Brands	1	23 765	64.6	2	1 349	3.7	10	4 906	13.3	0	0	0.0	3	4 691	12.8	8	2 060	5.6	24	36 771	100.0
Zurich , Siewerdtstrasse 8	0	0	0.0	12	3 360	91.1	0	0	0.0	0	0	0.0	10	328	8.9	2	0	0.0	24	3 688	100.0
Zurich , Sihlcity	86	10 013	42.4	26	5 838	24.7	17	4 463	18.9	0	0	0.0	95	1 813	7.7	43	1 087	4.6	267	23 214	98.2
Zurich , Sihlstrasse 24/ St. Annagasse 16	1	110	3.8	22	1 974	68.9	3	390	13.6	0	0	0.0	9	187	6.5	19	203	7.1	54	2 864	100.0
Zurich , Stadelhoferstrasse 18	4	374	19.5	5	938	49.0	1	227	11.9	0	0	0.0	8	363	19.0	2	12	0.6	20	1 914	100.0
Zurich , Stadelhoferstrasse 22	7	356	11.6	7	1 562	50.9	1	140	4.6	0	0	0.0	5	941	30.7	2	68	2.2	22	3 067	100.0
Zurich , Steinmühleplatz/ Jelmoli parking	1	73	86.9	1	11	13.1	0	0	0.0	0	0	0.0	0	0	0.0	48	0	0.0	50	84	100.0
Zurich , Steinmühleplatz 1/ St. Annagasse 18/Sihlstrasse 20	7	675	10.8	10	4 026	64.7	1	131	2.1	0	0	0.0	22	1 205	19.4	17	185	3.0	57	6 222	100.0
Zurich , Talacker 21, 23	3	470	9.6	11	3 149	64.2	0	0	0.0	0	0	0.0	21	1 285	26.2	1	0	0.0	36	4 904	100.0
Total I	793	323 241	20.4	1 591	633 464	40.0	171	71 359	4.5	987	110 312	7.0	1 533	269 549	17.0	1 013	170 668	10.8	6 088	1 578 593	99.6

PROPERTY STRUCTURE RESIDENTIAL PROPERTIES

City, address						Total apartments			SUMMARY	
	1-2½ rooms no.	2-2½ rooms no.	3-3½ rooms no.	4-4½ rooms no.	5 or more rooms no.	no.	m²	%	Total leased properties, commercial and resi- dential, excl. parking no.	m²
Commercial properties without significant residential space										
Zug , Zählerweg 8, 10/ Dammstrasse 21, 23/Opus 2	0	0	0	0	0	0	0	0.0	26	19 994
Zurich , Affolternstrasse 52/ MFO building	0	0	0	0	0	0	0	0.0	5	2 776
Zurich , Affolternstrasse 54, 56/ Cityport	0	0	0	0	0	0	0	0.0	18	23 420
Zurich , Albisriederstrasse 203	0	0	0	0	0	0	0	0.0	49	13 429
Zurich , Bahnhofstrasse 42	0	0	0	0	0	0	0	0.0	13	2 003
Zurich , Bahnhofstrasse 69	0	0	0	0	0	0	0	0.0	26	1 114
Zurich , Bahnhofstrasse 106	0	0	0	0	0	0	0	0.0	17	1 196
Zurich , Brandschenkestrasse 25	0	0	0	0	0	0	0	0.0	57	13 246
Zurich , Carl-Spitteler- Strasse 68/70	0	0	0	0	0	0	0	0.0	144	19 343
Zurich , Etzelstrasse 14	0	0	0	0	0	0	0	0.0	1	2 080
Zurich , Flurstrasse 89	0	0	0	0	0	0	0	0.0	8	3 331
Zurich , Fraumünsterstrasse 16	0	0	0	0	0	0	0	0.0	34	8 585
Zurich , Hagenholzstrasse 60/ SkyKey	0	0	0	0	0	0	0	0.0	27	41 253
Zurich , Hardstrasse 201/ Prime Tower	0	0	0	0	0	0	0	0.0	79	48 142
Zurich , Hardstrasse 219/ Eventblock Maag	0	0	0	0	0	0	0	0.0	42	6 840
Zurich , Josefstrasse 53, 59	0	0	0	0	0	0	0	0.0	49	12 140
Zurich , Jupiterstrasse 15/ Böcklinstrasse 19	0	0	0	0	0	0	0	0.0	28	1 829
Zurich , Kappenbühlweg 9, 11/ Holbrigstrasse 10/ Regensdorferstrasse 18a	0	0	0	0	0	0	0	0.0	121	14 790
Zurich , Maagplatz 1/Platform	0	0	0	0	0	0	0	0.0	17	20 319
Zurich , Manessestrasse 85	0	0	0	0	0	0	0	0.0	43	9 114
Zurich , Ohmstrasse 11, 11a	0	0	0	0	0	0	0	0.0	58	6 197
Zurich , Restelbergstrasse 108	0	0	0	0	0	0	0	0.0	16	672
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	24	36 771
Zurich , Siewerdtstrasse 8	0	0	0	0	0	0	0	0.0	24	3 688
Zurich , Sihlcity	16	0	0	0	0	16	420	1.8	283	23 634
Zurich , Sihlstrasse 24/ St. Annagasse 16	0	0	0	0	0	0	0	0.0	54	2 864
Zurich , Stadelhoferstrasse 18	0	0	0	0	0	0	0	0.0	20	1 914
Zurich , Stadelhoferstrasse 22	0	0	0	0	0	0	0	0.0	22	3 067
Zurich , Steinmühleplatz/ Jelmoli parking	0	0	0	0	0	0	0	0.0	50	84
Zurich , Steinmühleplatz 1/ St. Annagasse 18/Sihlstrasse 20	0	0	0	0	0	0	0	0.0	57	6 222
Zurich , Talacker 21, 23	0	0	0	0	0	0	0	0.0	36	4 904
Total I	21	4	20	18	7	70	6 163	0.4	6 158	1 584 756

PROPERTY STRUCTURE COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Assisted living			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%	no.	m ²	%
Mixed properties																					
Geneva , 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	0	0	0.0	7	1 406	51.2
Geneva , Route de Malagnou 6/ Rue Michel-Chauvet 7	0	0	0.0	5	831	49.6	1	188	11.2	0	0	0.0	4	61	3.6	0	0	0.0	10	1 080	64.4
Geneva , 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	0	0	0.0	3	125	3.6	0	0	0.0	14	2 301	66.3
Lausanne , Rue de la Mercerie 14, sold																					
Lausanne , Rue de la Mercerie 16–20, sold																					
St. Gallen , Spisergasse 12	2	195	31.6	1	109	17.7	0	0	0.0	0	0	0.0	2	149	24.1	0	0	0.0	5	453	73.4
Thônex , Rue de Genève 104–108	21	6 555	56.2	4	44	0.4	3	404	3.5	0	0	0.0	12	953	8.2	54	1 022	8.8	94	8 978	77.0
Visp , Kantonsstrasse 8, sold																					
Zurich , Höggerstrasse 40/ Röschibachstrasse 22	10	1 465	22.1	8	2 697	40.7	0	0	0.0	0	0	0.0	5	76	1.1	11	103	1.6	34	4 341	65.6
Zurich , Nansenstrasse 5/7	10	2 405	40.9	8	1 490	25.3	0	0	0.0	0	0	0.0	5	361	6.1	29	32	0.5	52	4 288	72.9
Zurich , Querstrasse 6	2	77	13.6	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	9	40	7.1	11	117	20.7
Zurich , Schulstrasse 34, 36	0	0	0.0	2	622	36.1	0	0	0.0	0	0	0.0	1	135	7.8	0	0	0.0	3	757	44.0
Total II	53	12 417	35.5	38	7 655	21.9	4	592	1.7	0	0	0.0	32	1 860	5.3	103	1 197	3.4	230	23 721	67.8
Building land																					
Basel , Hochbergerstrasse 60/ 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	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	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	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	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	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	0	0	0.0	1	409	100.0	0	0	0.0	1	409	100.0
Meyrin , Chemin de Riant- bosson, Avenue de Mategnin	0	0	0.0	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 b. Bern , 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	0	0	0.0
Oberbüren , Buchental/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	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	0	0	0.0
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	0	0	0.0
Wangen b. 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	0	0	0.0
Total III	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	1	409	100.0	0	0	0.0	1	409	100.0

PROPERTY STRUCTURE RESIDENTIAL PROPERTIES

City, address						Total apartments			SUMMARY	
	1-2½ rooms no.	2-2½ rooms no.	3-3½ rooms no.	4-4½ rooms no.	5 or more rooms no.	no.	m²	%	Total leased properties, commercial and resi- dential, excl. parking no.	m²
Mixed properties										
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	35.6	13	1 677
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
Lausanne , Rue de la Mercerie 14, sold										
Lausanne , Rue de la Mercerie 16-20, sold										
St. Gallen , Spisergasse 12	0	1	0	1	0	2	164	26.6	7	617
Thônex , Rue de Genève 104-108	8	8	16	8	0	40	2 684	23.0	134	11 662
Visp , Kantonsstrasse 8, sold										
Zurich , Höggerstrasse 40/ Röschibachstrasse 22	0	20	10	1	0	31	2 280	34.4	65	6 621
Zurich , Nansenstrasse 5/7	0	5	2	9	1	17	1 595	27.1	69	5 883
Zurich , Querstrasse 6	3	3	0	1	0	7	448	79.3	18	565
Zurich , Schulstrasse 34, 36	0	1	3	9	0	13	964	56.0	16	1 721
Total II	32	42	36	31	15	156	11 245	32.2	386	34 966
Building land										
Basel , Hochbergerstrasse 60/ parking	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	409
Meyrin , Chemin de Riant- bosson, Avenue de Mategnin	0	0	0	0	0	0	0	0.0	0	0
Niederwangen b. Bern , Riedmoosstrasse 10	0	0	0	0	0	0	0	0.0	0	0
Oberbüren , Buchental/parking	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
Spreitenbach , Joosacker 7	0	0	0	0	0	0	0	0.0	0	0
Wangen b. 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	409

PROPERTY STRUCTURE COMMERCIAL PROPERTIES

City, address	Retail			Offices, medical practice premises, etc.			Cinemas and restaurants			Assisted living			Storage facilities			Other commercial units			Total commercial properties, excl. parking		
	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%	no.	m²	%
Properties under construction and development sites																					
Bellinzona, Via San Gottardo 99–99b	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Opfikon, Müllackerstrasse 2, 4/ Bubenholz	0	0	0.0	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, Flurstrasse 55/ Flurpark 2 ¹	0	0	0.0	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 219/ Maaghof North and East	0	0	0.0	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, Naphtastrasse 10/ Maaghof North and East ²	0	0	0.0	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, Turbinenstrasse 21/ Maaghof North and East ²	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Total IV	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Overall total	846	335 658	20.7	1 629	641 119	39.6	175	71 951	4.4	987	110 312	6.8	1 566	271 818	16.8	1 116	171 865	10.6	6 319	1 602 723	98.9

¹ reclassified from existing properties to properties under construction due to total modification

² condominiums designated for sale

PROPERTY STRUCTURE RESIDENTIAL PROPERTIES

City, address	1–2½ rooms	2–2½ rooms	3–3½ rooms	4–4½ rooms	5 or more rooms	Total apartments			SUMMARY	
	no.	no.	no.	no.	no.	no.	m²	%	Total leased properties, commercial and residential, excl. parking	
									no.	m²
Properties under construction and development sites										
Bellinzona, Via San Gottardo 99–99b	0	0	0	0	0	0	0	0.0	0	0
Opfikon, Müllackerstrasse 2, 4/ Bubenholz	0	0	0	0	0	0	0	0.0	0	0
Zurich, Flurstrasse 55/ Flurpark 2 ¹	0	0	0	0	0	0	0	0.0	0	0
Zurich, Hardstrasse 219/ Maaghof North and East	0	0	0	0	0	0	0	0.0	0	0
Zurich, Naphtastrasse 10/ Maaghof North and East ²	0	0	0	0	0	0	0	0.0	0	0
Zurich, Turbinenstrasse 21/ Maaghof North and East ²	0	0	0	0	0	0	0	0.0	0	0
Total IV	0	0	0	0	0	0	0	0.0	0	0
Overall total	53	46	56	49	22	226	17 408	1.1	6 545	1 620 131

¹ 2013 reclassified from existing properties to properties under construction due to total modification² condominiums designated for sale



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