

SWISS PRIME SITE

— SEMI-ANNUAL REPORT

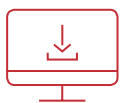
REPORT

2022



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Reporting structure

The report consists of the semi-annual report and the short report for the first half of 2022 (PDF available to download from www.sps.swiss). For reasons of sustainability, only the short report is available as a printed version.

Selected group key figures

		01.01.– 30.06.2021 resp. 30.06.2021	01.01.– 31.12.2021 resp. 31.12.2021	01.01.– 30.06.2022 resp. 30.06.2022
Key financial figures	in			
Rental income from properties	CHF m	213.4	426.7	214.2
EPRA like-for-like change relative	%	–0.7	1.3	1.9
Income from real estate developments	CHF m	36.3	52.0	8.4
Income from real estate services	CHF m	56.9	121.1	59.5
Income from retail	CHF m	46.0	119.5	57.4
Income from asset management	CHF m	8.3	16.5	27.2
Total operating income	CHF m	369.7	757.0	378.9
Revaluation of investment properties, net	CHF m	134.3	301.9	166.6
Result from investment property sales, net	CHF m	36.0	39.9	14.7
Operating result (EBIT)	CHF m	348.5	706.7	365.4
Profit	CHF m	251.5	498.9	267.4
Return on equity (ROE)	%	8.2	8.0	8.3
Return on invested capital (ROIC)	%	4.2	4.3	4.2
Earnings per share (EPS)	CHF	3.31	6.57	3.49
Funds from operations per share (FFO I)	CHF	1.95	4.01	2.09
Financial figures excluding revaluations and all deferred taxes				
Operating result (EBIT)	CHF m	214.2	404.8	198.8
Profit	CHF m	164.7	293.7	158.0
Return on equity (ROE)	%	5.4	4.8	5.0
Return on invested capital (ROIC)	%	2.9	2.8	2.6
Earnings per share (EPS)	CHF	2.17	3.87	2.06
Key balance sheet figures				
Shareholders' equity	CHF m	6 183.7	6 409.7	6 427.2
Equity ratio	%	46.6	47.5	46.6
Borrowed capital	CHF m	7 097.0	7 089.7	7 357.9
Loan-to-value ratio of property portfolio (LTV)	%	42.0	40.2	40.5
NAV before deferred taxes per share ¹	CHF	97.67	101.22	100.95
NAV after deferred taxes per share ¹	CHF	81.40	84.37	83.80
EPRA NTA per share	CHF	97.73	100.93	100.78
Real estate portfolio				
Fair value of real estate portfolio	CHF m	12 457.6	12 793.5	13 066.4
of which projects/development properties	CHF m	1 031.4	1 006.9	997.7
Number of properties	number	184	184	179
Rental floor space	m ²	1 654 518	1 677 027	1 681 690
Vacancy rate	%	4.7	4.6	4.4
Average discount rate	%	2.83	2.75	2.71
Net property yield	%	3.2	3.2	3.1
Employees				
Number of employees as at balance sheet date	persons	1 677	1 667	1 722
Full-time equivalents as at balance sheet date	FTE	1 455	1 474	1 529

¹ Services segment (real estate-related business fields) included at book values and not at fair values

The consolidated financial statements have been prepared in accordance with IFRS since the beginning of 2022. The previous year's figures were adjusted accordingly (restatement).

Resilient and on a growth course

Swiss Prime Site can look back on a successful first half of 2022. With operating income of CHF 378.9 million (+2.5%), profit of CHF 267.4 million (+6.3%) and earnings per share of CHF 3.49 (+5.4%), we posted good results. Our services were in high demand on the market, enabling us to increase our real estate assets under management to CHF 20.0 billion in total (end of 2021: CHF 18.7 billion). Despite major geopolitical challenges causing supply shortages, rising prices and higher interest rates in the real economy, we remain optimistic for 2022 as a whole.

Interest rate pivot

In the year to date, the Swiss economy has continued to grow despite geopolitical challenges, supply chain problems and rising prices. With an increase of 105 000 jobs in the services sector in the past 12 months and a record 114 000 vacancies, the economic outlook remains positive. As Switzerland is also being affected by rising prices, the Swiss National Bank (SNB) increased the benchmark interest rate by 50 basis points in June 2022 with the aim of preventing inflation from spreading more broadly to goods and services. Inflation in Switzerland remains below the levels seen in European markets. Despite the prospect of further rate hikes by the SNB in 2022, we still find ourselves in a negative interest rate environment in real terms. This favours investments in real assets such as property. Accordingly, we have only witnessed isolated knock-on effects on the real estate market so far. Prime locations continue to be sought after by tenants and investors.

Cash flow improved

The CHF 166.6 million [CHF 134.3 million] revaluation result on our real estate portfolio with a value of CHF 13.1 billion (CHF 12.8 billion at the end of 2021) confirms the favourable market prospects for the prime commercial properties held by us. The positive revaluations were driven mainly by better letting performance and a lower vacancy rate of 4.4% [4.7%]. Against the current backdrop of rising interest rates, we will focus even more heavily on active letting and vacancy management in order to improve our cash flows. We are also doing so because we believe that the value growth from yield compression is flattening out. In light of this, the 7.2% increase in funds from operations (FFO I) to CHF 2.09 per share was especially pleasing. We have thereby managed to exceed the annual 2022 target of increasing FFO by 3–5%.

Solid funding

In times of rising interest rates, solid funding is just as important as securing revenue. By largely redeeming the greater part of our mortgages with two unsecured syndicated loans totalling CHF 2.6 billion by the end of 2021, we significantly decreased our interest payments to 0.7% [0.9%]. In addition, the residual term to maturity of five years for the financial liabilities, together with the balanced lease expiry profile and our capital recycling strategy, give us good visibility in a refinancing environment that is becoming increasingly tough. Despite the dividend distribution, the loan-to-value (LTV) for our real estate portfolio improved to 40.5% [42.0%], which puts us on course to meet our target of reducing LTV below 40% by the end of the year.

«Prime locations continue to be sought after by tenants and investors.»

Focus on sustainability

Due to the current geopolitical environment, the topic of sustainability has become more important than ever. Our customers are increasingly calling for flexible and, above all, sustainable rental spaces. We have been working hard in various sustainability action areas for some time now. The results of these efforts are becoming increasingly visible. By the end of 2022, for example, around 75% of the floor space in our portfolio will have been awarded a sustainability certificate. For new-build and modification projects (e.g. Müllerstrasse), we are following the concept of the circular economy and the Cradle to Cradle principle to tackle the issue of embodied carbon. At the same time, we set ourselves ambitious targets that go beyond the requirements of the Swiss Sustainable Building Standard (SNBS). Our customers will soon be able to conclude «green leases» with us. We are confident that the demand for sustainable properties and spaces will continue to rise. All these measures and initiatives are aimed at making the real estate portfolio carbon neutral and thus sustainable by 2040. We are thereby serving the interests of society, investors and our tenants.

Exploiting growth opportunities

The acquisition of the real estate asset manager Akara and its integration into our group company Swiss Prime Site Solutions have been progressing according to plan since being announced at the end of 2021. We merged the companies on 9 August 2022. Our new colleagues have fitted in well to our existing structures in the area of real estate asset management. Under the corporate umbrella of Swiss Prime Site Solutions, we now offer a comprehensive range of services for real estate investors consisting of two funds as well as mandates from investment foundations and pension funds. Through organic growth in the product range and customer base, Swiss Prime Site Solutions increased its assets under management to CHF 6.9 billion (CHF 5.9 billion including Akara as at the end of 2021). The customer base increased to more than 550 qualified Swiss investors. Through new mandates, the

«We are confident that the demand for sustainable properties and spaces will continue to rise.»

real estate services provider Wincasa increased assets under management by CHF 1.9 billion to CHF 77.5 billion (end of 2021: CHF 75.6 billion). Swiss Prime Site Immobilien also exploited growth opportunities arising in the first half of the year under its successful capital recycling strategy. The released funds from the sale of nine properties as part of our regular portfolio analysis were reinvested in three attractive development properties in central locations in Zurich, Bern and Basel.

Thank you

We would like to thank our customers for placing their trust in our products and services in the first half of 2022. We would also like to thank our staff for their hard work and entrepreneurial spirit. Our results show that we are on the right path to overcome future challenges and continue growing. We would also like to thank you, our shareholders, for your loyalty and interest in Swiss Prime Site. We have a clear strategy in place and are looking forward to implementing it for you and with you.



Ton Büchner
Chairman of the Board
of Directors

René Zahnd
CEO

2022 guidance increased after impressive results in the first half of the year

Swiss Prime Site demonstrated good operating performance in the first half of 2022. With FFO growth of 7.2% per share, real estate assets under management totalling CHF 20 billion and a vacancy rate of 4.4%, we already met our targets for 2022 in the first half of the financial year, and even exceeded some of them. In light of the positive market environment and the visibility currently available to us, we are therefore increasing our guidance for 2022.

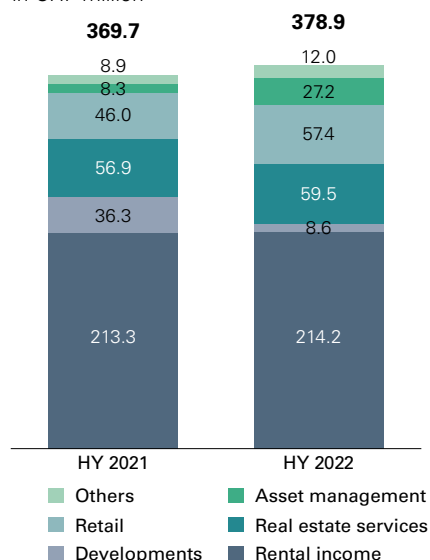
The key figures for 2022 have been heavily influenced by two factors: firstly, after the closing on 10 January 2022, the Zug-based Akara Group is included in our scope of consolidation for the first time; secondly, the 2022 consolidated financial statements have been prepared in accordance with the IFRS accounting standards (see note 2.4 «Conversion to IFRS») for the first time and the previous year's figures have been adapted accordingly.

Increase in operating income and good rental income

The positive business performance of the Swiss Prime Site Group is reflected in a 2.5% increase in operating income to CHF 378.9 million, which all group companies contributed towards. In the first half of 2022, we finalised new leases or contract renewals for a total area of more than 102 000 m² [47 000 m²] within our real estate portfolio. Many of these were agreed on better terms, which led to rental income increasing to CHF 214.2 million (+1.9% on a like-for-like basis). The vacancy rate was reduced to 4.4% [4.7%]. WAULT remained at 5.5 years [5.6 years].

Operating income

in CHF million



The successful leasing activities therefore more than offset the rent of CHF 3.3 million from the modernisation project on Zurich's Müllerstrasse, which was still included in the first half of 2021, and the loss of income due to the sale of properties under our capital recycling strategy. These comprised a portfolio of seven properties that was sold to the newly launched «Swiss Prime Site Solutions Investment Fund Commercial» as well as two other properties in St. Gallen. This resulted in a pre-tax profit of CHF 14.7 million. The gains from sales will increase again in the second half of 2022 due to property sales of more than CHF 165 million that have already been agreed (including building B of «Espace Tourbillon» in Plan-les-Ouates).

High revaluations and attractive net yields on property

The good results at operating level (like-for-like rental growth of 1.9%, reduction in the vacancy rate to 4.4%) were the main drivers for the higher revaluations of CHF 166.6 million [CHF 134.3 million]. The real discount rate was reduced marginally to 2.71% (–4 basis points) by the external property valuer Wüest Partner. The nominal discount rate of 3.74% was adjusted in line with the 1.0% increase in inflation (+50 basis points). The subsequent effect on the valuation of our properties is therefore negligible due to most commercial rental contracts being tied to the Swiss Consumer Price Index. Despite the revaluations, the net yield on property from our prime portfolio remains at an attractive 3.1% [3.2%].

Strong growth in asset management

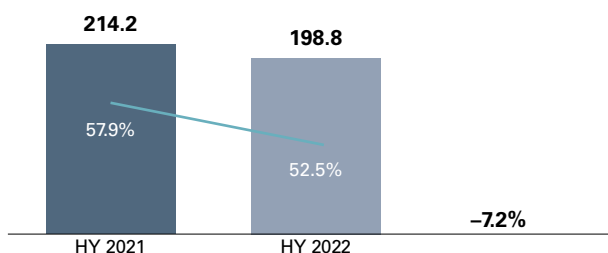
Swiss Prime Site Solutions managed to grow even faster than in recent years. New funds amounting to CHF 235 million were acquired for the real estate funds. Acquisitions totalling more than CHF 1.0 billion were completed for various customers and vehicles in the first half of 2022 alone. Real estate assets under management increased to CHF 6.9 billion [end of 2021: CHF 5.9 billion including Akara]. Correspondingly, income from asset management rose from CHF 8.3 million to CHF 27.2 million. The acquired Akara Group contributed CHF 11.3 million to this figure. EBIT increased to CHF 17.1 million [CHF 3.8 million], which resulted in an attractive EBIT margin of 62% [43%]. On 9 August 2022, we completed the FINMA-approved merger of the fund management companies and witnessed some early synergy effects. With its real estate fund business, the investment foundation and the pension fund mandates, Swiss Prime Site Solutions is currently focusing exclusively on the area of non-listed products for qualified Swiss investors. Due to the volatile stock markets at present, these products continue to be very popular among investors.

Strict cost control and temporary EBIT effects

Operating expenses increased by 1.7% in the first half of the year. This was mainly due to the integration of the Akara Group and the growth across all group companies. The slightly lower profit of sale compared to the previous year and the loss of income from the Plan-les-Quates development project in Geneva that was completed at the end of 2021 had a temporary effect on group EBIT excluding revaluations as well as on the EBIT margin. The EBIT figure reached CHF 198.8 million [CHF 214.2 million]. The corresponding EBIT margin was 52.5% [57.9%]. Due to higher profit of sale from the capital recycling strategy and continued strong operating performance, we are expecting an improvement in EBIT before revaluations and in the corresponding EBIT margin in the second half of the year.

EBIT and EBIT margin (excl. revaluations)

in CHF million resp. %

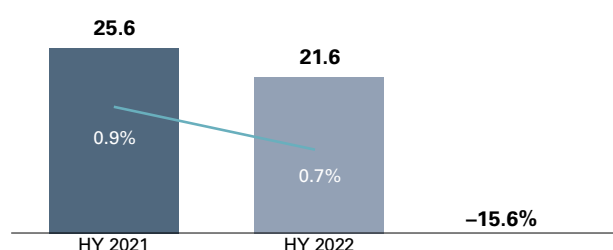


Lower financing costs and higher profits

Swiss Prime Site's profit including revaluation effects increased by 6.3% to CHF 267.4 million [CHF 251.5 million] and earnings per share rose by 5.4% to CHF 3.49 [CHF 3.31]. Return on equity (ROE) increased to 8.3% [8.2%]. In addition to the progress made at operating level, the improvement was largely attributable to changing the sources of financing. The redemption of bank mortgages at the end of 2021 with two unsecured syndicated loans totalling CHF 2.6 billion led to lower financial expenses (net) of CHF 21.6 million [CHF 25.6 million] and lower average interest payments of 0.70% (-24 basis points).

Net financial expenses and average cost of borrowing

in CHF million resp. %

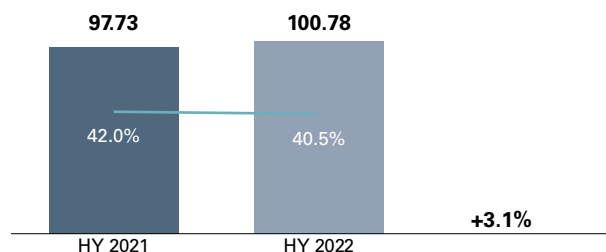


Higher NAV and stable equity ratio

Net asset value (NAV) after deferred taxes increased to CHF 83.80 per share (+3.0%) in comparison to the previous year. EPRA NTA rose to CHF 100.78 per share (+3.1%). This includes the distribution of CHF 3.35 per share in the first half of 2022 as well as the additional shares issued as part of the Akara acquisition. With a closing price of CHF 83.75 on 30 June 2022 and a total return of -3.1%, the Swiss Prime Site share outperformed both national (REAL: -7.0%, SPI: -15.9%) and international (EPRA: -27.7%) indices. The total return was even positive in mid-August at 2.5%. FFO I, which is decisive for the dividend payout, increased by 7.2% to CHF 2.09 per share in the first half of 2022. This means that we had already reached more than half of the 2021 distribution of CHF 3.35 by the mid-way point. With an equity ratio of 46.6% [46.6%], a loan-to-value of 40.5% [42.0%] on the real estate portfolio and an average residual term to maturity of interest-bearing financial liabilities of 5.0 years [5.8 years], Swiss Prime Site is soundly financed.

EPRA NTA per share and LTV

in CHF resp. %



2022 guidance increased based on recent performance

Our good operating results in the first half of 2022, combined with the current positive outlook for the second half of the year, have enabled us to increase the guidance for 2022 as a whole. We are now expecting real estate assets under management to amount to more than CHF 20 billion (previous guidance CHF 19–20 billion). The vacancy rate for the whole year is expected to fall further below 4.4% (previous guidance <4.6%), and FFO growth for the year should be at the higher end of the 3–5% range. Based on Swiss Prime Site Solutions' good half-year results (EBIT: CHF 17.1 million), we are now confident of achieving an EBIT in this business area of approximately CHF 30 million (previous target CHF 27–28 million) for 2022 as a whole.



75% of floor space certified by the end of 2022

All new-build and conversion projects of Swiss Prime Site are to be certified with a nationally or internationally recognised sustainability label. The label for existing properties is BREEAM In-Use. The target is for 75% of floor space in the property portfolio to be certified by the end of 2022. This creates a frame of reference, transparency and the foundation on which to generate ecological, economic and social added value for all stakeholders for the long term.



[MORE ON
CERTIFICATION](#)



Creating sustainable living spaces

As the leading real estate company in Switzerland, we offer responsible positions for dedicated experts across the entire real estate life cycle. Developing projects on greenfield sites or redeveloping existing plots takes foresight, imagination, a self-starter attitude and a certain amount of courage.

Annette Bohr tells us about the opportunities and challenges in her work as a Development & Construction Project Manager at Swiss Prime Site Immobilien.



[MORE ON
THE JOB PROFILE](#)



Strong sustainability ratings from Inrate and Sustainalytics

Swiss Prime Site was awarded a much improved ESG risk rating by Sustainalytics, a leading sustainability agency that analyses and rates the environmental, social and governance efforts of companies. With an improvement of four points (from 17.3 to 13.3), Sustainalytics rates Swiss Prime Site's sustainability risks as low, which puts it in the top 20 percent of companies in the sector. Inrate, an independent Swiss sustainability ratings agency, has increased Swiss Prime Site's overall score from B+ to A-. This places it among the top-rated companies. The agency highlighted Swiss Prime Site's good environmental per-

formance in particular. This is ensured through energy efficiency certifications aimed at reducing resource intensity, CO₂ emissions and energy consumption during a property's life cycle. Inrate also praised Swiss Prime Site's transparent reporting on relevant environmental aspects. The increase in rating to A- has also led to the company's share (ticker: SPSN) receiving a better weighting in the SPI ESG index of the SIX Swiss Exchange.



[MORE ON
SUSTAINABILITY RATINGS](#)

Saving energy with foil coating

The repositioning of the Messeturm has been a key project in Swiss Prime Site's portfolio over the past two years. Sustainability is a central aspect of the extensive renovation. This includes the integration of various materials in accordance with the Cradle to Cradle principle, as well as the use of air-purifying wall paints. A further goal is to reduce the amount of energy used by the Messeturm in the long term. To achieve this, many of the technical systems in the building have already been replaced. The concept will now be rounded off with a special foil coating on the façade.



MORE ON
FOIL COATING



Green leases – a marathon, not a sprint!

A green lease is a catalogue of measures that shows tenants and landlords how they can contribute to sustainability within the context of the tenancy. These measures are incorporated into sustainability clauses to help improve the carbon emissions of buildings, among other things. The tenants and users thus benefit from optimisations and the resulting advantages.



MORE ON
GREEN LEASES



Dynamic liquid crystal glass from eyrise

As part of the extensive renovation of the property on Müllerstrasse in Zurich, Swiss Prime Site ordered more than 3 000 m² of dynamic liquid crystal glass from the company eyrise. Compared to conventional glazing, this special glass reduces energy consumption for air conditioning and lighting, as well as contributing to a greater sense of well-being.



MORE ON
EYRISE



Promotion of e-mobility

We lead by example and are aware of our responsibilities towards our employees, customers and the environment. As part of this commitment, we invest in e-mobility. The proportion of electric vehicles will continue to grow over the coming years. In order to offer tenants and customers the required infrastructure and related services, we form partnerships with other companies and invest in electric charging points in suitable locations (e.g. Shopping Arena St. Gallen).



MORE ON
E-MOBILITY

Consolidated financial statements

Consolidated income statement

in CHF 1 000	Notes	01.01.– 30.06.2021	01.01.– 30.06.2022
Rental income from properties	4	213 366	214 182
Income from sale of trading properties	4	–	203
Income from real estate developments	4	36 255	8 435
Income from asset management	4	8 300	27 162
Income from real estate services	4	56 860	59 497
Income from retail	4	45 991	57 392
Capitalised own services	4	4 707	6 621
Other operating income	4	4 236	5 373
Operating income		369 715	378 865
Revaluation of investment properties, net	5.2	134 288	166 585
Result from investments in associates		500	500
Result from investment property sales, net	5.3	36 011	14 654
Real estate costs	5.4	–25 443	–26 420
Cost of real estate developments		–24 801	–7 661
Cost of trading properties sold		–	–103
Cost of goods sold		–24 765	–30 038
Personnel costs	7.1	–87 115	–94 798
Other operating expenses	7.2	–18 535	–24 196
Depreciation and amortisation		–11 324	–12 004
Operating expenses		–191 983	–195 220
Operating result (EBIT)		348 531	365 384
Financial expenses		–27 346	–21 846
Financial income		1 739	272
Profit before income taxes		322 924	343 810
Income taxes	7.3	–71 426	–76 403
Profit attributable to shareholders of Swiss Prime Site AG		251 498	267 407
Earnings per share (EPS), in CHF	3.1	3.31	3.49
Diluted earnings per share, in CHF	3.1	3.11	3.28

The consolidated financial statements have been prepared in accordance with IFRS since the beginning of 2022. The previous year's figures were adjusted accordingly (restatement). Further information can be found in note 2.4 «Conversion to IFRS».

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

Consolidated statement of comprehensive income

in CHF 1 000	Notes	01.01.– 30.06.2021	01.01.– 30.06.2022
Profit		251 498	267 407
Revaluation of owner-occupied properties	5.2	9 864	8 217
Deferred taxes on revaluation of owner-occupied properties		– 1 943	– 1 619
Remeasurement of net defined benefit obligations	7.1	54 730	– 78 624
Deferred taxes on remeasurement of net defined benefit obligations		– 10 946	15 725
Items that will not be reclassified subsequently to profit or loss		51 705	– 56 301
Items that will be reclassified subsequently to profit or loss		–	–
Other comprehensive income after income taxes		51 705	– 56 301
Comprehensive income attributable to shareholders of Swiss Prime Site AG		303 203	211 106

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Consolidated balance sheet

in CHF 1 000	Notes	01.01.2021	31.12.2021	30.06.2022
Assets				
Cash		142 750	114 656	32 383
Securities		602	1 351	945
Accounts receivable		56 748	39 349	39 640
Other current receivables		5 098	6 268	6 086
Current income tax assets		13 151	3 868	3 660
Inventories		30 786	33 263	33 123
Real estate developments		23 925	–	1 657
Trading properties	5.2	–	53 466	62 764
Accrued income and prepaid expenses		19 959	27 141	39 264
Assets held for sale	5.2	216 401	250 124	177 062
Total current assets		509 420	529 486	396 584
Net defined benefit assets	7.1	59 648	80 239	–
Non-current financial assets		4 060	4 285	9 682
Investments in associates		51 487	50 800	49 893
Investment properties	5.2	11 826 478	12 131 001	12 466 117
Owner-occupied properties	5.2	521 437	597 611	597 670
Tangible assets		25 956	23 620	23 852
Right-of-use assets		48 944	43 132	41 426
Goodwill	8.1	–	–	168 679
Intangible assets		25 450	32 243	31 264
Deferred income tax assets		5 404	6 919	–
Total non-current assets		12 568 864	12 969 850	13 388 583
Total assets		13 078 284	13 499 336	13 785 167
Liabilities and shareholders' equity				
Accounts payable		8 436	25 297	10 577
Current financial liabilities	6.1	1 346 369	14 519	461 216
Other current liabilities		114 996	129 937	124 050
Real estate developments		4 742	–	5 686
Advance payments		29 319	30 984	39 477
Current income tax liabilities		21 159	36 182	21 683
Accrued expenses and deferred income		134 890	157 484	205 917
Total current liabilities		1 659 911	394 403	868 606
Non-current financial liabilities	6.1	4 108 572	5 415 515	5 173 310
Deferred tax liabilities		1 174 214	1 279 736	1 315 533
Net defined benefit liabilities		151	–	483
Total non-current liabilities		5 282 937	6 695 251	6 489 326
Total liabilities		6 942 848	7 089 654	7 357 932
Share capital		1 162 347	1 162 347	153 437
Capital reserves		177 198	50 016	995 295
Treasury shares		– 161	– 58	– 1 737
Revaluation reserves		–	12 008	18 606
Retained earnings		4 796 052	5 185 369	5 261 634
Shareholders' equity attributable to shareholders of Swiss Prime Site AG		6 135 436	6 409 682	6 427 235
Total liabilities and shareholders' equity		13 078 284	13 499 336	13 785 167

The consolidated financial statements have been prepared in accordance with IFRS since the beginning of 2022. The previous year's figures were adjusted accordingly (restatement). Further information can be found in note 2.4 «Conversion to IFRS».

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

Consolidated cash flow statement

in CHF 1 000	Notes	01.01.– 30.06.2021	01.01.– 30.06.2022
Profit		251 498	267 407
Depreciation and amortisation		11 324	12 004
Revaluation of investment properties, net		– 134 288	– 166 585
Result from investment property sales, net	5.3	– 36 011	– 14 654
Result from investments in associates		– 500	– 500
Other non-cash items affecting net income		764	2 863
Financial expenses		27 346	21 846
Financial income		– 1 739	– 272
Income tax expenses	7.3	71 426	76 403
Change in accounts receivable		7 129	16 715
Change in inventories and real estate developments		– 10 235	– 938
Change in trading properties		–	– 1 763
Change in net defined benefit obligations		1 306	24
Change in other receivables and accrued income and prepaid expenses		– 4 044	– 2 494
Change in accounts payable		1 511	– 14 843
Change in other current liabilities and accrued expenses and deferred income		10 231	– 19 259
Income tax payments		– 17 595	– 34 821
Cash flow from operating activities		178 123	141 133
Investments in investment properties		– 106 090	– 167 812
Divestments of investment properties		151 141	94 420
Investments in owner-occupied properties	5.2	– 517	– 1 289
Investments in tangible assets		– 3 175	– 2 266
Acquisitions of group companies, less acquired cash		–	– 58 732
Investments in financial investments		– 300	– 5 998
Divestments of financial investments		2 280	610
Investments in intangible assets		– 8 114	– 3 597
Interest payments received		95	104
Dividends received		840	1 506
Cash flow from investing activities		36 160	– 143 054
Distribution to shareholders		– 254 496	– 256 975
Purchase of treasury shares		– 2 216	– 3 088
Issue of bonds	6.1	449 878	–
Redemption of bond	6.1	– 300 000	–
Issuance of financial liabilities		2 627 501	1 883 726
Repayment of financial liabilities		– 2 715 890	– 1 683 722
Interest paid		– 30 385	– 19 581
Cost capital increase and nominal value reduction		–	– 712
Cash flow from financing activities		– 225 608	– 80 352
Change in cash		– 11 325	– 82 273
Cash at beginning of period		142 750	114 656
Cash at end of period		131 425	32 383

The consolidated financial statements have been prepared in accordance with IFRS since the beginning of 2022. The previous year's figures were adjusted accordingly (restatement). Further information can be found in note 2.4 «Conversion to IFRS».

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	Treasury shares	Revaluation reserves	Retained earnings	Total shareholders' equity
Total as at 31.12.2020 (as reported according to FER)		1 162 347	177 198	-161	-	4 746 245	6 085 629
Reconciliation from Swiss GAAP FER to IFRS	2.4	-	-	-	-	49 807	49 807
Total as at 01.01.2021 (IFRS)		1 162 347	177 198	-161	-	4 796 052	6 135 436
Profit		-	-	-	-	251 498	251 498
Revaluation of owner-occupied properties	5.2	-	-	-	9 864	-	9 864
Deferred taxes on revaluation of owner-occupied properties		-	-	-	-1 943	-	-1 943
Remeasurement of net defined benefit obligations		-	-	-	-	54 730	54 730
Deferred taxes on remeasurement of net defined benefit obligations		-	-	-	-	-10 946	-10 946
Other comprehensive income		-	-	-	7 921	43 784	51 705
Comprehensive income		-	-	-	7 921	295 282	303 203
Distribution to shareholders		-	-127 248	-	-	-127 248	-254 496
Share-based compensation		-	-458	2 278	-	-	1 820
Purchase of treasury shares		-	-	-2 216	-	-	-2 216
Total as at 30.06.2021		1 162 347	49 492	-99	7 921	4 964 086	6 183 747
Total as at 31.12.2021 (as reported according to FER)		1 162 347	50 016	-58	0	5 126 374	6 338 679
Reconciliation from Swiss GAAP FER to IFRS	2.4	0	0	0	12 008	58 995	71 003
Total as at 01.01.2022 (IFRS)		1 162 347	50 016	-58	12 008	5 185 369	6 409 682
Profit		-	-	-	-	267 407	267 407
Revaluation of owner-occupied properties	5.2	-	-	-	8 217	-	8 217
Deferred taxes on revaluation of owner-occupied properties		-	-	-	-1 619	-	-1 619
Remeasurement of net defined benefit obligations		-	-	-	-	-78 624	-78 624
Deferred taxes on remeasurement of net defined benefit obligations		-	-	-	-	15 725	15 725
Other comprehensive income		-	-	-	6 598	-62 899	-56 301
Comprehensive income		-	-	-	6 598	204 508	211 106
Capital increase (acquisition Akara Group)		11 448	54 316	-	-	-	65 764
Dividend to shareholders		-	-	-	-	-128 504	-128 504
Nominal value reduction - Distribution to shareholders		-128 471	-	-	-	-	-128 471
Nominal value reduction - transfer to reserves		-891 887	891 600	-	-	261	-26
Share-based compensation		-	-637	3 500	-	-	2 863
Purchase of treasury shares		-	-	-5 179	-	-	-5 179
Total as at 30.06.2022		153 437	995 295	-1 737	18 606	5 261 634	6 427 235

The consolidated financial statements have been prepared in accordance with IFRS since the beginning of 2022. The previous year's figures were adjusted accordingly (restatement). Further information can be found in note 2.4 «Conversion to IFRS».

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

Notes to the consolidated financial statements

1 Introduction

Our strategy is based on investments in high-quality properties situated in prime locations, primarily with commercially utilised floor space, as well as in development projects. The focus of investment is properties and projects with sustainable, attractive returns and long-term value-boosting potential. We actively manage our property portfolio and operate in real estate-related business fields with the aim of strengthening and broadening the earnings base and diversifying risks.

The following significant changes relevant to financial reporting took place in the reporting period:

- Acquisition/integration of the Akara Group into Swiss Prime Site Solutions (see note 8.1)
- New Moody's rating (see note 6.1)
- Introduction of International Financial Reporting Standards (IFRS) (see note 2.4)

In connection with introducing IFRS, we have made our reporting clearer for the recipients of the report. The notes are structured into sections that are of interest to readers, and important assumptions and specific accounting principles are now explained in the individual notes.

The note sections are as follows:

- Performance: explains our performance per share
- Segments: shows our balance sheet and income statement according to segments
- Real estate: provides information about our investment properties and owner-occupied properties
- Financing: provides details of our capital structure
- Platform costs: includes salaries, other operating expenses and taxes
- Other disclosures: discloses other relevant information

In addition, we relocated the head office of Swiss Prime Site AG from Frohburgstrasse 1 in 4600 Olten to Alpenstrasse 15 in 6300 Zug in the first half of 2022.

2 Accounting and significant principles

2.1 Principles of consolidated reporting

We have been reporting our results in accordance with the International Financial Reporting Standards (IFRS) since 1 January 2022. We have therefore prepared the semi-annual report as at 30 June 2022 in accordance with IAS 34 «Interim Financial Reporting» and Article 17 of the Directive on Financial Reporting of the Swiss stock exchange (SIX Swiss Exchange). These semi-annual financial statements do not contain all the information and disclosures that are published in the annual consolidated financial statements. They should therefore be read in conjunction with the consolidated financial statements as at 31 December 2021, which were still prepared in accordance with Swiss GAAP FER. The effects of applying the new accounting principles for the first time are described in note 2.4.

The semi-annual financial statements have been prepared in Swiss francs (CHF). All amounts, except for the figures per share, have been rounded to CHF 1 000. All group companies maintain their accounts in Swiss francs. Transactions denominated in foreign currencies are immaterial. The figures for the comparative period are shown in the text in square brackets [].

2.2 Changes relating to the IFRS accounting principles

We applied the following new or revised standards and interpretations for the first time for the 2022 semi-annual report:

- IFRS 3 «Recognition of Specific Liabilities and Contingent Liabilities in a Business Combination» (amendment to IFRS 3 – Business Combinations), applicable from 1 January 2022
- IAS 16 «Proceeds before Intended Use» (amendment to IAS 16 – Property, Plant and Equipment), applicable from 1 January 2022
- IAS 37 «Onerous Contracts – Cost of Fulfilling a Contract» (amendment to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets), applicable from 1 January 2022

The new or revised standards to be introduced for the first time for the 2022 semi-annual report or later were not applied early. The introduction of the revised standards will have no material impact on the consolidated financial statements.

2.3 Valuations and assumptions

Preparing the semi-annual and annual financial statements in accordance with the IFRS accounting principles necessitates the use of estimates and assumptions that affect the reported amounts for assets and liabilities, the disclosure of contingent assets and liabilities as at the balance sheet date, and the reported income and expenses for the reporting period. Although these appraisal values have been determined by the Executive Board in good faith based on their knowledge of current events and possible future measures of Swiss Prime Site, the actual results may differ from these values.

2.3.1 Fair value measurement

When measuring the fair value of an asset or liability, we use observable market data whenever possible. Based on the inputs used in the valuation techniques, we assign the fair values to different levels of the fair value hierarchy:

Fair value hierarchy

Level 1	The fair value has been determined on the basis of listed prices on active markets for identical assets and liabilities.
Level 2	In contrast to level 1, the fair value has been determined using inputs other than listed prices. For financial assets and liabilities, the inputs must be observable on markets directly (e.g. listed prices) or indirectly (e.g. derived from listed prices).
Level 3	The fair value has been determined using inputs that are not based on observable market data.

- If the inputs used to determine the fair value of an asset or liability can be assigned to different levels of the fair value hierarchy, we assign the whole fair value measurement to the level of the fair value hierarchy that corresponds to the lowest-level input that is significant for the measurement as a whole.
- We hold existing properties, properties under construction, development sites, assets held for sale and owner-occupied properties with a total balance sheet value of CHF 13 066.444 million [CHF 12 793.500 million]. The properties have been valued at fair value in accordance with the principles of IFRS 13 «Fair Value Measurement». The measurements are based on valuations and assumptions described in note 5.2 «Properties» and in the report of the valuation expert Wüest Partner AG.

2.3.2 Impairment of goodwill

- In the impairment tests, which are performed at least once a year, we use assumptions to calculate the value in use.
- Two key factors for which assumptions are made are growth rate and discount rate. It is possible that these assumptions will prove to be inaccurate in the future. Likewise, the actual cash flows may differ from the discounted projections.

2.3.3 Deferred taxes

- Deferred tax liabilities are calculated based on the temporary valuation differences between the book value and the tax value of a balance sheet position («balance sheet liability method»).
- Deferred taxes on temporary valuation differences in the property portfolio are calculated per property in accordance with the cantonal legislation. We review the applied calculation parameters (especially the tax rates) at least once a year and adapt them if necessary.
- Cantons with a one-tier tax system charge a separate property gains tax. In addition to ordinary property gains tax, this includes speculative surcharges as well as deductions based on the actual duration of ownership. The longer the duration of ownership, the lower the property gains tax.
- In the case of properties held for sale, we use the actual duration of ownership in the calculation. For the other types of properties, we assume a duration of ownership of 20 years or use the actual duration of ownership if it is more than 20 years. Estimating the minimum duration of ownership calls for sound judgement.
- Where the revaluations of properties according to IFRS versus the fiscal values are due to recaptured and previously claimed depreciation, the taxes are allocated per property after the deduction of property gains tax and taken into account separately.

2.4 Conversion to IFRS

We have been reporting our results in accordance with the IFRS accounting principles since the 2022 financial year. We have adjusted the comparative figures to the new standards, which means that IFRS was first applied as at 1 January 2021. As far as possible, the conversion was carried out in line with the Swiss GAAP FER accounting principles applied to date. The accounting principles applied to the preparation and presentation of the 2022 consolidated semi-annual financial statements according to IFRS deviate from the 2021 consolidated financial statements prepared according to the Swiss GAAP FER principles in terms of the following items:

2.4.1 Properties

As before, investment properties are valued at fair value in accordance with the requirements of IAS 40 «Investment Property». Properties held for own use (e.g. office and retail) are now reported as owner-occupied properties in accordance with IAS 16 and IAS 40.10 (pro rata). Owner-occupied properties and owner-occupied properties under construction are valued at fair value in accordance with IAS 16 «Property, Plant and Equipment» on the basis of the revaluation model. After ordinary depreciation has been recognised in the income statement, a positive revaluation is credited to other comprehensive income, unless it involves the reversal of earlier impairments. In the case of a negative revaluation, the earlier value increases in group equity are reversed first until the corresponding revaluation reserve is released. Other devaluations are charged to the consolidated income statement. Properties under construction with future utilisation as owner-occupied properties are dealt with in the same manner. Under IFRS, owner-occupied and investment properties are shown separately in the balance sheet.

2.4.2 Goodwill, brand names and customer base from acquisitions

Capital consolidation is carried out using the purchase method. Goodwill from acquisitions is recognised at the residual value between the purchase price and the fair value of the acquired net assets in accordance with IFRS 3. It is not amortised, but is impairment tested annually or more frequently if there are indications of impairment. The goodwill that was offset directly against shareholders' equity under Swiss GAAP FER is not recognised retrospectively and no other intangible assets that need to be recognised separately under IAS 38 were identified.

2.4.3 Pension plans

Under IFRS, defined benefit plans are accounted for according to the projected unit credit method pursuant to IAS 19 «Employee Benefits», whereas previously the standards according to Swiss GAAP FER 16 «Pension benefit obligations» applied. The present value of benefit obligations from defined benefit plans is determined by external experts. The actuarial appraisals are created separately for the individual benefit plans. Actuarially calculated surpluses are only recognised as net pension assets to the extent that a future economic benefit arises for the group in the form of lower contributions within the meaning of IFRIC 14. Under IFRS, this results in a net liability or a net asset in the consolidated financial statements, whereas there was no item to be recognised under Swiss GAAP FER. In addition, reported personnel costs from pension plans are different under IFRS than under Swiss GAAP FER.

2.4.4 Rights of use, leases

Before, lease obligations were treated as operational leases in accordance with Swiss GAAP FER 13 «Leases». Under IFRS, the rights of use for leased properties and land leases are recognised and the corresponding lease obligations are recorded as liabilities, unless the term of the agreement is twelve months or less, or if it involves a low-value asset. Application of IFRS 16 «Leases» results in a significant increase in total assets and liabilities. In the income statement, there is a shift in expenses from real estate expenses (third-party rents and land lease payments) to depreciation and financial expenses (interest expense).

In accordance with IFRS 16 and IAS 40.50d, the rights of use assignable to investment properties and owner-occupied properties (rental and land lease contracts) are reported gross by adding the time value of the lease obligation to the fair value of the property.

The other rights of use (e.g. office floor space of Wincasa and retail floor space of Jelmoli) are recognised at time value and amortised over the term using the straight line method.

2.4.5 Long-term construction contracts

Long-term construction contracts are now evaluated in accordance with IFRS 15 «Revenue from Contracts with Customers». Under Swiss GAAP FER 22 «Long-term contracts», the income from the Espace Tourbillon project (buildings C and D) was divided into two components (land/project and construction contract) with separate margins. According to IFRS 15, there is only one performance obligation (sale of a turnkey property consisting of the sale of land and the construction of buildings), which means that there is no need to separate the margin under IFRS. Because the buildings were completed in 2021 and there has been no difference between Swiss GAAP FER and IFRS since then, this change in the current consolidated financial statements relates exclusively to the opening balance sheet as at 1 January 2021 and the income statement of the previous year.

2.4.6 Financial assets / financial liabilities / derivative financial instruments

Under IFRS 9, financial assets are classified according to their characteristics. Loans receivable are held to maturity and are recognised in the balance sheet at amortised cost. The other financial assets are valued at fair value. Financial liabilities are initially recognised in the balance sheet at cost less transaction costs in accordance with IFRS 9. In subsequent periods, they are recognised at amortised

cost, whereby the effective interest rate method is used to amortise the difference between the book value and the redemption value. 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.

2.4.7 Own work capitalised

Own work capitalised is reported under operating income as a separate income position. It includes work related to the group's own development projects and construction projects, as well as internal services for construction management and software development. The valuation is carried out on the basis of manufacturing costs.

2.4.8 Deferred income taxes

The aforementioned valuation and balance sheet adjustments result in corresponding effects on deferred taxes in the balance sheet as well as in the income statement.

The changes relating to the IFRS accounting principles were implemented retrospectively with effect from 1 January 2021 (restatement). The following tables show the effects of the conversion from Swiss GAAP FER to IFRS on profit and shareholders' equity:

in CHF 1 000	01.01.– 30.06.2021
Profit according to FER	257 103
Reconciliation to IFRS:	
Depreciation owner-occupied properties (IAS 16)	– 1 109
Elimination revaluation of owner-occupied properties (IAS 16)	– 8 755
Adjustment expenses of net defined benefit assets (IAS 19)	– 1 351
Interest income on net defined benefit assets (IAS 19)	45
Revaluation right-of-use assets investment properties (IFRS 16)	– 1 505
Depreciation right-of-use assets (IFRS 16)	– 2 905
Interest expenses lease liabilities (IFRS 16)	– 2 040
Elimination rental expenses (IFRS 16)	6 364
Adjustment income from real estate developments (IFRS 15)	2 192
Deferred taxes and other effects	3 459
Total adjustments to profit	– 5 605
Total profit according to IFRS	251 498

in CHF 1 000	01.01.2021	30.06.2021	31.12.2021
Shareholders' equity according to FER	6 085 629	6 087 840	6 338 679
Reconciliation to Swiss GAAP FER:			
Reclassification investment properties to owner-occupied properties (IAS 16)	– 521 437	– 539 322	– 597 611
Reclassification owner-occupied properties to investment properties (IAS 16)	521 437	539 322	597 611
Net defined benefit assets (IAS 19)	59 648	112 921	80 239
Net defined benefit liabilities (IAS 19)	– 151	–	–
Right-of-use assets investment properties (IFRS 16)	241 696	240 191	238 702
Right-of-use assets (IFRS 16)	48 944	46 039	43 132
Current lease liabilities (IFRS 16)	– 12 593	– 12 593	– 13 661
Non-current lease liabilities (IFRS 16)	– 278 047	– 273 721	– 268 331
Real estate developments (IFRS 15)	– 3 703	– 1 511	–
Deferred taxes and other effects	– 5 987	– 15 419	– 9 078
Total adjustments to shareholders' equity	49 807	95 907	71 003
Total shareholders' equity according to IFRS	6 135 436	6 183 747	6 409 682

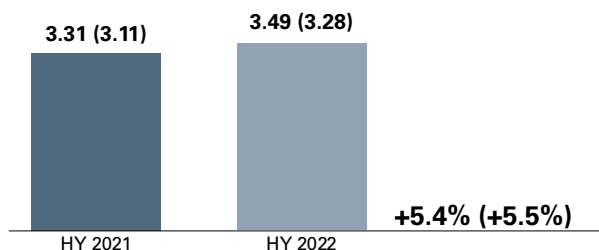
The aforementioned effects have a corresponding influence on the individual positions in the cash flow statement. By applying IFRS 16, the cash flows from leasing activities, amounting to CHF 6.364 million, are moved from cash flow from operating activities to cash flow from financing activities. There are no other changes to the reported cash flows (cash flow from operating activities, cash flow from investment activities, cash flow from financing activities).

3 Performance

3.1 Key figures per share

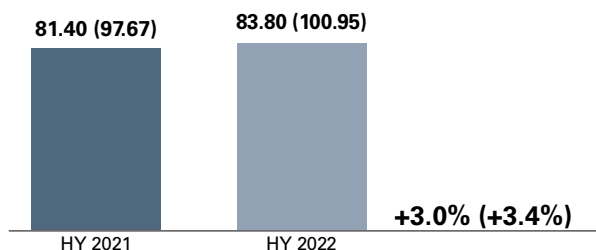
Earnings per share (diluted earnings per share)

in CHF resp. %



NAV after deferred taxes (NAV before deferred taxes)

in CHF resp. %



Earnings and net asset value (NAV) per share

in CHF	01.01.– 30.06.2021	01.01.– 30.06.2022
Earnings per share (EPS)	3.31	3.49
Diluted earnings per share	3.11	3.28
Shareholders' equity per share (NAV) before deferred taxes ¹	97.67	100.95
Shareholders' equity per share (NAV) after deferred taxes ¹	81.40	83.80

¹ Services segment (real estate-related business fields) included at book values and not at fair values

Basis for calculation of diluted earnings per share

in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Profit attributable to shareholders of Swiss Prime Site AG	251 498	267 407
Interests on convertible bonds, amortisation of proportional costs and tax effects	1 542	1 542
Relevant profit for calculation of diluted earnings per share	253 040	268 949

Weighted average number of shares

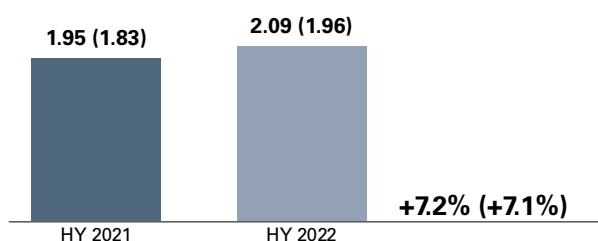
	01.01.– 30.06.2021	01.01.– 30.06.2022
Shares issued as at 01.01.	75 970 364	75 970 364
Weighted number of shares on capital increase on 04.01.2022	–	731 612
Average number of treasury shares (180 days)	–3 520	–7 246
Total weighted average number of shares 01.01.–30.06. (180 days)	75 966 844	76 694 730
Highest possible number of shares that can be issued on conversions	5 334 160	5 334 160
Basis for calculation of diluted earnings per share	81 301 004	82 028 890

3.2 Funds from operations (FFO)

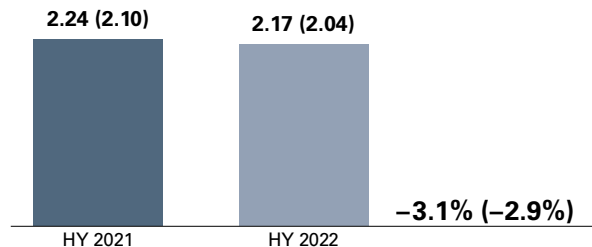
Funds from operations (FFO) indicates cash flow from operations (FFO I). FFO II also includes cash effective income from property sales.

FFO I per share (FFO I per share diluted)

in CHF resp. %

**FFO II per share (FFO II per share diluted)**

in CHF resp. %



in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Operating result (EBIT)	348 531	365 384
Depreciation and amortisation	11 324	12 004
Revaluation from investment properties, net	-134 288	-166 585
Result from investment property sales, net	-36 011	-14 654
Result from investments in associates	-500	-500
Revaluation of net defined benefit obligations (IAS 19)	1 306	25
Payments from leasing contracts	-6 364	-6 909
Cash effective interest expenses	-27 157	-19 109
Cash effective interest income and dividends	935	1 610
Current taxes without investment property sales	-9 694	-10 990
FFO I	148 082	160 276
Result from investment property sales, net	36 011	14 654
Current taxes from investment property sales	-14 248	-8 227
FFO II	169 845	166 703
Total weighted average number of shares	75 966 844	76 694 730
FFO I per share in CHF	1.95	2.09
FFO II per share in CHF	2.24	2.17
Total weighted average number of shares diluted	81 301 004	82 028 890
FFO I per share in CHF diluted	1.83	1.96
FFO II per share in CHF diluted	2.10	2.04

4 Segment reporting

Our core business involves buying, selling, managing, letting and developing properties. We are also active in other real estate-related business fields.

The consolidated financial data is divided into the following segments that are subject to reporting requirements:

- Real Estate comprises the purchase, sale, lease and development of properties as well as central group functions
- Services consists of the real estate-related services of asset management, real estate services and retail trade

Performance key figures 01.01.–30.06.2022

	Real Estate segment	Services segment	Total segments	Eliminations	01.01.– 30.06.2022 Total group
Loan-to-value ratio of property portfolio (LTV)	40.5%	n.a.	n.a.	n.a.	n.a.
Return on equity (ROE)	8.3%	23.7% ¹	n.a.	–	8.3%
Return on invested capital (ROIC)	4.3%	5.1% ¹	n.a.	n.a.	4.2%
Full-time equivalents as at balance sheet date	79	1 450	1 529	–	1 529

¹ Not included is the adjustment of tax losses capitalised from previous periods of CHF 6.919 million.

Segment income statement 01.01.–30.06.2022

in CHF 1 000	Real Estate segment	Services segment	Total segments	Eliminations	01.01.– 30.06.2022 Total group
Rental income from properties	222 818	6 716	229 534	– 15 352	214 182
thereof from third parties	207 466	6 716	214 182	–	214 182
thereof from other segments	15 352	–	15 352	– 15 352	–
Income from sale of trading properties	203	–	203	–	203
Income from real estate developments	–	8 435	8 435	–	8 435
Income from asset management	–	27 162	27 162	–	27 162
Income from real estate services	–	73 208	73 208	– 13 711	59 497
Income from retail	–	57 404	57 404	– 12	57 392
Capitalised own services	1 273	1 088	2 361	4 260	6 621
Other operating income	830	5 806	6 636	– 1 263	5 373
Operating income	225 124	179 819	404 943	– 26 078	378 865
Revaluation of investment properties, net	166 585	–	166 585	–	166 585
Result from investments in associates	500	–	500	–	500
Result from investment property sales, net	14 654	–	14 654	–	14 654
Real estate costs	– 31 880	– 19 914	– 51 794	25 374	– 26 420
Cost of real estate developments	–	– 7 661	– 7 661	–	– 7 661
Cost of trading properties sold	– 103	–	– 103	–	– 103
Cost of goods sold	–	– 30 038	– 30 038	–	– 30 038
Personnel costs	– 12 292	– 82 815	– 95 107	309	– 94 798
Other operating expenses	– 9 048	– 15 543	– 24 591	395	– 24 196
Depreciation and amortisation	– 3 101	– 8 903	– 12 004	–	– 12 004
Operating expenses	– 56 424	– 164 874	– 221 298	26 078	– 195 220
Operating result (EBIT)	350 439	14 945	365 384	–	365 384

Balance sheet positions as at 30.06.2022

in CHF 1 000	Real Estate segment	Services segment	Total segments	Eliminations	01.01.– 30.06.2022 Total group
Real estate portfolio (without leasing)	13 066 444	–	13 066 444	–	13 066 444
Right-of-use assets	238 786	39 809	278 595	–	278 595
Other assets	200 119	453 885	654 004	– 213 876	440 128
Total assets	13 505 349	493 694	13 999 043	– 213 876	13 785 167
Financial liabilities (without leasing)	5 291 026	64 676	5 355 702	–	5 355 702
Lease liabilities	238 789	40 035	278 824	–	278 824
Other liabilities	1 639 256	298 026	1 937 282	– 213 876	1 723 406
Total liabilities	7 169 071	402 737	7 571 808	– 213 876	7 357 932
Total shareholders' equity	6 336 278	90 957	6 427 235	–	6 427 235
Total investments	177 509	177 325	354 834	–	354 834

Performance key figures 01.01.–30.06.2021

	Real Estate segment	Services segment	Total segments	Eliminations	01.01.–30.06.2021 Total group
Loan-to-value ratio of property portfolio (LTV)	40.2% ¹	n.a.	n.a.	n.a.	n.a.
Return on equity (ROE)	8.5%	–13.8% ²	n.a.	n.a.	8.2%
Return on invested capital (ROIC)	4.4%	–3.3% ²	n.a.	n.a.	4.2%
Full-time equivalents as at balance sheet date	71	1 384	1 455	–	1 455

¹ LTV as at 31.12.2021² Not included is the adjustment of tax losses capitalised of CHF 1.543 million.**Segment income statement 01.01.–30.06.2021**

in CHF 1 000	Real Estate segment	Services segment	Total segments	Eliminations	01.01.–30.06.2021 Total group
Rental income from properties	222 444	6 414	228 858	– 15 492	213 366
thereof from third parties	206 952	6 414	213 366	–	213 366
thereof from other segments	15 492	–	15 492	– 15 492	–
Income from real estate developments	36 255	–	36 255	–	36 255
Income from asset management	–	8 300	8 300	–	8 300
Income from real estate services	–	70 429	70 429	– 13 569	56 860
Income from retail	–	45 994	45 994	–3	45 991
Capitalised own services	–	1 543	1 543	3 164	4 707
Other operating income	1 064	3 916	4 980	– 744	4 236
Operating income	259 763	136 596	396 359	– 26 644	369 715
Revaluation of investment properties, net	134 288	–	134 288	–	134 288
Result from investments in associates	500	–	500	–	500
Result from investment property sales, net	36 011	–	36 011	–	36 011
Real estate costs	– 31 116	– 20 026	– 51 142	25 699	– 25 443
Cost of real estate developments	– 24 801	–	– 24 801	–	– 24 801
Cost of goods sold	–	– 24 765	– 24 765	–	– 24 765
Personnel costs	– 10 291	– 77 022	– 87 313	198	– 87 115
Other operating expenses	– 7 716	– 11 566	– 19 282	747	– 18 535
Depreciation and amortisation	– 3 327	– 7 997	– 11 324	–	– 11 324
Operating expenses	– 77 251	– 141 376	– 218 627	26 644	– 191 983
Operating result (EBIT)	353 311	– 4 780	348 531	–	348 531

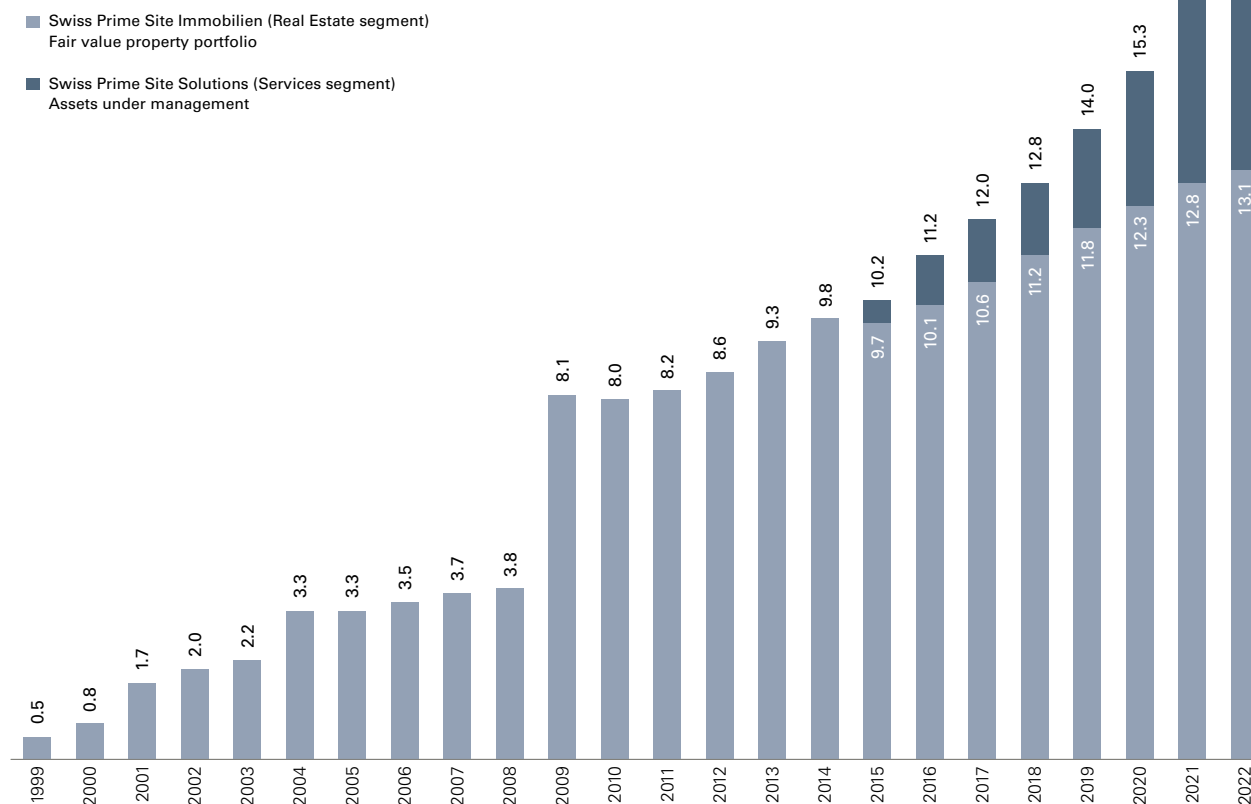
Balance sheet positions as at 31.12.2021

in CHF 1 000	Real Estate segment	Services segment	Total segments	Eliminations	31.12.2021 Total group
Real estate portfolio (without leasing)	12 793 500	–	12 793 500	–	12 793 500
Right-of-use assets	238 701	43 133	281 834	–	281 834
Other assets	191 247	319 796	511 043	– 87 041	424 002
Total assets	13 223 448	362 929	13 586 377	– 87 041	13 499 336
Financial liabilities (without leasing)	5 148 042	–	5 148 042	–	5 148 042
Lease liabilities	238 701	43 291	281 992	–	281 992
Other liabilities	1 516 234	230 427	1 746 661	– 87 041	1 659 620
Total liabilities	6 902 977	273 718	7 176 695	– 87 041	7 089 654
Total shareholders' equity	6 320 472	89 210	6 409 682	–	6 409 682
Total investments	303 180	16 127	319 307	–	319 307

5 Real estate

5.1 Assets under management

Real estate assets under management in CHF billion



5.2 Properties

We have our properties valued at fair value by the property valuation company Wüest Partner AG in accordance with IFRS accounting principles. The valuation is performed using the discounted cash flow method (DCF), under which the future cash flows are discounted, taking into account the market situation and risks. The inputs used are determined by Wüest Partner AG on the basis of its in-depth market knowledge and are then critically reviewed and discussed by us.

Further information can be found in Wüest Partner's report.

Changes to properties

in CHF 1 000	Properties (incl. building land)	Properties under con- struction/ develop- ment sites	Total investment properties	Owner- occupied properties	Properties held for sale	Trading properties	Total portfolio
	IAS 40	IAS 40		IAS 16	IAS 40 IFRS 5	IAS 2	
Total as at 01.01.2021 (according to valuation expert)	10 863 133	721 649	11 584 782	521 437	216 401	–	12 322 620
Purchases	18 082	–	18 082	–	–	–	18 082
Investments	119 643	128 748	248 391	2 224	23 338	–	273 953
Capitalised borrowing costs	533	5 438	5 971	–	439	–	6 410
Reclassifications	–257 844	–14 952	–272 796	60 037	159 293	53 466	–
Disposal by sale	–	–1 609	–1 609	–	–144 770	–	–146 379
Positive fair value adjustment	469 388	18 680	488 068	–	167	–	488 235
Negative fair value adjustment	–168 676	–9 914	–178 590	–	–4 744	–	–183 334
Fair value adjustment (without leasing)	300 712	8 766	309 478	–	–4 577	–	304 901
Depreciation owner-occupied properties				–1 041			–1 041
Revaluation owner-occupied properties (OCI)				14 954			14 954
Total as at 31.12.2021 (according to valuation expert)	11 044 259	848 040	11 892 299	597 611	250 124	53 466	12 793 500
Right-of-use assets	238 702		238 702				238 702
Total book value as at 31.12.2021	11 282 961	848 040	12 131 001	597 611	250 124	53 466	13 032 202
Purchases	19 525	36 571	56 096	–	–	–	56 096
Investments	47 187	67 980	115 167	1 289	484	1 866	118 806
Capitalised borrowing costs	42	1 983	2 025	–	352	–	2 377
Reclassifications	52 360	–51 250	1 110	–8 645	–	7 535	–
Disposal by sale	–	–	–	–	–79 765	–103	–79 868
Positive fair value adjustment	188 641	37 483	226 124	–	6 012	–	232 136
Negative fair value adjustment	–57 996	–5 877	–63 873	–	–145	–	–64 018
Fair value adjustment (without leasing)	130 645	31 606	162 251	–	5 867	–	168 118
Depreciation owner-occupied properties				–802			–802
Revaluation owner-occupied properties (OCI)				8 217			8 217
Total as at 30.06.2022 (according to valuation expert)	11 294 018	934 930	12 228 948	597 670	177 062	62 764	13 066 444
Right-of-use assets	237 169		237 169				237 169
Total book value as at 30.06.2022	11 531 187	934 930	12 466 117	597 670	177 062	62 764	13 303 613

On the balance sheet date, the discount rates used for the valuation of properties ranged from 1.65% to 4.85% [1.70% to 4.85% as at 31 December 2021]. The weighted average real discount rate was 2.71% [2.75% as at 31 December 2021].

We reclassified the following properties in the first half of 2022:

- Olten, Solothurnerstrasse 231 (share of Usego site – construction site B) from properties under construction and development sites to trading properties.
- Richterswil, Gartenstrasse 7. After completion of the new building, it was reclassified into existing properties.
- Changes to the share of own use (Olten, Frohburgstrasse 1 / Zurich, Hardstrasse 201, Prime Tower / Zurich, Seidengasse 1, Jelmoli) resulted in reclassifications from owner-occupied properties to existing properties.

Unobservable inputs applied as at 30.06.2022

	in	Building land	Commercial properties (continuation of use) ¹	Commercial properties (highest and best use) ²	Properties under construction/ development sites
Fair value as at balance sheet date	CHF m	62.585	10 790.951	1 215.214	997.694
Unobservable input factors					
Average discount rate	%	3.08	2.71	2.67	2.96
Maximum discount rate	%	4.95	4.85	4.70	4.05
Minimum discount rate	%	2.20	1.65	2.15	2.35
Rental income residential	CHF per m ² p.a.	–	70 to 692	120 to 530	255 to 816
Rental income offices	CHF per m ² p.a.	–	75 to 960	25 to 780	180 to 535
Rental income retail/gastro	CHF per m ² p.a.	–	80 to 9 000	120 to 1 190	395 to 950
Rental income commercial	CHF per m ² p.a.	–	55 to 380	80 to 210	240 to 570
Rental income storage	CHF per m ² p.a.	–	20 to 300	41 to 272	90 to 170
Rental income parking inside	CHF per piece and month	–	50 to 650	100 to 600	90 to 635
Rental income parking outside	CHF per piece and month	–	40 to 400	40 to 160	75 to 200

¹ commercial properties for which the valuation was based on the assumption of continuation of current use, as well as properties held for sale² commercial properties for which the valuation was based on highest and best use**Unobservable inputs applied as at 31.12.2021**

	in	Building land	Commercial properties (continuation of use) ¹	Commercial properties (highest and best use) ²	Properties under construction/ development sites
Fair value as at balance sheet date	CHF m	43.033	10 552.324	1 191.167	1 006.976
Unobservable input factors					
Average discount rate	%	3.42	2.76	2.70	3.10
Maximum discount rate	%	4.95	4.85	4.75	4.05
Minimum discount rate	%	3.10	1.70	2.15	2.35
Rental income residential	CHF per m ² p.a.	–	80 to 692	120 to 530	255 to 285
Rental income offices	CHF per m ² p.a.	–	80 to 930	90 to 780	180 to 535
Rental income retail/gastro	CHF per m ² p.a.	–	60 to 9 000	120 to 1 190	240 to 395
Rental income commercial	CHF per m ² p.a.	–	55 to 380	80 to 210	220 to 280
Rental income storage	CHF per m ² p.a.	–	25 to 500	48 to 200	90 to 170
Rental income parking inside	CHF per piece and month	–	50 to 650	100 to 600	90 to 635
Rental income parking outside	CHF per piece and month	–	40 to 400	40 to 160	75 to 200

¹ commercial properties for which the valuation was based on the assumption of continuation of current use, as well as properties held for sale² commercial properties for which the valuation was based on highest and best use

The fair value of the entire property portfolio is determined by applying the «highest and best use» concept. 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. The non-observable inputs for properties for which the highest and best use differs from the actual or planned use of a property are shown separately in the above tables.

Sensitivity of properties' fair value in terms of discount rates as at 30.06.2022

Average discount rate	Change in fair value in %	Change in fair value in CHF 1 000	Fair value in CHF 1 000
2.28%	18.50%	2 217 400	14 223 600
2.39%	13.10%	1 575 700	13 581 900
2.50%	8.30%	998 400	13 004 600
2.60%	3.90%	467 500	12 473 700
2.71% (valuation as at 30.06.2022)	–	–	12 006 200
2.81%	–3.90%	–469 600	11 536 600
2.92%	–7.40%	–885 700	11 120 500
3.02%	–10.50%	–1 260 900	10 745 300
3.13%	–13.60%	–1 632 100	10 374 100
3.23%	–16.40%	–1 968 300	10 037 900
3.34%	–19.00%	–2 283 100	9 723 100

Sensitivity of properties' fair value in terms of discount rates as at 31.12.2021

Average discount rate	Change in fair value in %	Change in fair value in CHF 1 000	Fair value in CHF 1 000
2.33%	18.00%	2 113 700	13 857 200
2.44%	12.80%	1 498 800	13 242 300
2.54%	8.10%	954 500	12 698 000
2.65%	3.80%	448 000	12 191 500
2.75% (valuation as at 31.12.2021)	–	–	11 743 500
2.86%	–3.80%	–449 000	11 294 500
2.96%	–7.20%	–848 300	10 895 200
3.07%	–10.30%	–1 214 500	10 529 000
3.17%	–13.30%	–1 566 200	10 177 300
3.28%	–16.10%	–1 890 200	9 853 300
3.38%	–18.70%	–2 193 900	9 549 600

The above sensitivities only show the effect of a change in the discount rates. Depending on the scenario, other parameters could also change, including with contrasting effects (e.g. indexing), and correspondingly influence the valuation.

Details on future rental income from rentals under existing contracts

The following table breaks down the future net annual rental income and land lease income from properties (excluding properties under construction and development sites, and excluding leased properties) by the end-dates of individual rental agreements as at 30 June 2022:

End of contract	30.06.2021 Future rental income in CHF 1 000	Share in %	30.06.2022 Future rental income in CHF 1 000	Share in %
Under 1 year ¹	54 488	12.2	56 774	12.4
Over 1 year	49 481	11.1	59 046	12.9
Over 2 years	47 663	10.7	46 885	10.3
Over 3 years	45 401	10.2	50 055	11.0
Over 4 years	44 719	10.0	61 901	13.6
Over 5 years	45 171	10.1	26 261	5.8
Over 6 years	17 524	3.9	16 213	3.6
Over 7 years	14 080	3.2	21 057	4.6
Over 8 years	22 160	5.0	14 013	3.1
Over 9 years	11 037	2.5	37 080	8.1
Over 10 years	94 825	21.1	67 411	14.6
Total	446 549	100.0	456 696	100.0

¹ includes all indefinite rental agreements (residential, parking facilities, commercial properties etc.) of total CHF 26.486 million [CHF 21.286 million]

Future rental income has been presented from the Real Estate segment perspective and is based on the rental agreements of the group's properties as at 30 June 2022 [30 June 2021].

Largest external tenants

in % of future annual net rental and building lease income	30.06.2021	30.06.2022
Tertianum	5.7	6.5
Coop	5.3	5.0
Magazine zum Globus	4.6	4.6
Swisscom	3.4	3.4
Zurich Insurance Group	2.5	2.5
Total	21.5	22.0

Current development and new building projects**Basel, Hochbergerstrasse 60: Stücki Park**

Project description	Construction of three laboratory buildings and offices and transformation of the area into a centre for innovation, entertainment and health. Investment volume: approx. CHF 244 million. Further information: stueckipark.ch
Project status	First stage completed, second stage being executed
Letting status	Buildings F and I (laboratory and office) currently being marketed, buildings H and G (laboratory and office) 100% let
Completion	First stage: 2021, second stage: 2024

Basel, Steinenvorstadt 5

Project description	Total renovation and conversion of a retail property to residential with services, gastronomy and retail use on the ground floor and basement floor. The property has six full floors, an attic, a service floor and five basement floors in total. Investment volume: approx. CHF 55 million
Project status	In planning
Letting status	Interim letting
Completion	2025

Lancy, Esplanade de Pont-Rouge 5, 7, 9: Alto Pont-Rouge

Project description	Construction of a new services building with 15 upper floors and flexible usable areas. Investment volume: approx. CHF 306 million. Further information: alto-pont-rouge.ch
Project status	Project being executed
Letting status	Currently being marketed; 50% let
Completion	2023

Paradiso, Riva Paradiso 3, 20: Tertianum Residenz Du Lac

Project description	New senior citizens' residence with 60 apartments and a geriatric care centre with 40 beds. Investment volume: approx. CHF 74 million
Project status	Project being executed
Letting status	100% let
Completion	2023

Schlieren, Zürcherstrasse 39: JED conversion – Join. Explore. Dare.

Project description	Conversion into a centre for knowledge transfer, innovation and entrepreneurship with workplaces, indoor and outdoor meeting areas, and spaces for events, catering and leisure. Investment volume: approx. CHF 144 million (conversion, advanced fit-out) Further information: jed.swiss
Project status	Basic fit-out completed
Letting status	Currently being marketed; 85% let
Completion	2022 (full fit-out)

Schlieren, Zürcherstrasse 39: JED new building – Join. Explore. Dare.

Project description	Development of building land reserve and new building. Large connected areas for innovative companies, including laboratory facilities. Investment volume: approx. CHF 98 million. Further information: jed.swiss
Project status	Building permit acquired
Letting status	Currently being marketed; 50% let
Completion	2024

Olten, USEGO-Park – Tertianum Olten

Project description	A residential and care centre is being built for Tertianum on the USEGO site in Olten. Investment volume: approx. CHF 35 million
Project status	Project being executed
Letting status	100% let
Completion	2023

Zurich, Müllerstrasse 16, 20

Project description	Total renovation of an office property. The property has six full floors, an attic, a service floor and three basement floors. Investment volume: approx. CHF 222 million
Project status	Project being executed
Letting status	100% let
Completion	2023

A more detailed description of the development and new construction projects has been published on our website at www.sps.swiss/en/real-estate/projects/projects-under-construction.

5.3 Result from investment property sales

in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Gains from sales of properties held for sale	36 011	14 654
Total result from investment property sales, net	36 011	14 654

We sold nine properties in the first half of 2022:

- Seven existing properties to Swiss Prime Site Solutions Investment Fund Commercial as part of the launch (seed portfolio). The transaction with a total value of around CHF 80 million was completed under market conditions based on appraisals of independent valuation experts and was approved by FINMA.
- Two existing properties in St. Gallen (Spisergasse 12 and Turmgasse)

We sold the following properties in the first half of 2021:

- Geneva, Espace Tourbillon – individual units in Building A
- Geneva, Espace Tourbillon – Building E
- Richterswil, Gartenstrasse 15
- Zurich, Stadelhoferstrasse 18/20

5.4 Real estate costs

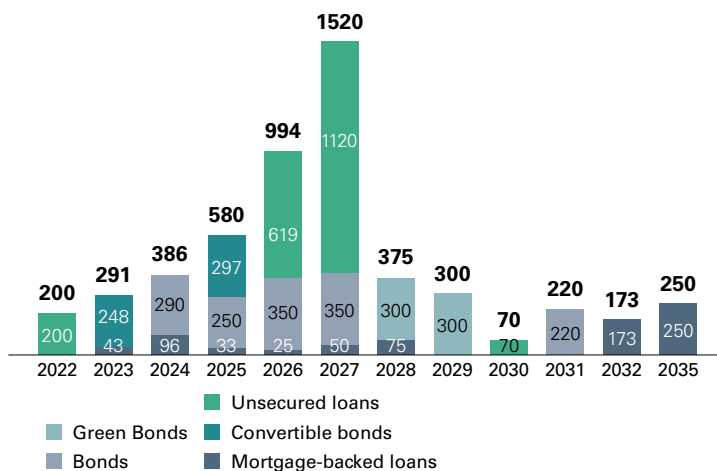
in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Maintenance and repair costs	–6 937	–8 355
Ancillary costs borne by the owner	–7 577	–7 692
Property-related insurance costs and fees	–3 920	–3 878
Costs for cleaning, energy and water	–2 067	–1 996
Expenses for third-party services	–2 229	–2 504
Expenses for real estate services	–2 713	–1 995
Total real estate costs	–25 443	–26 420

6 Financing

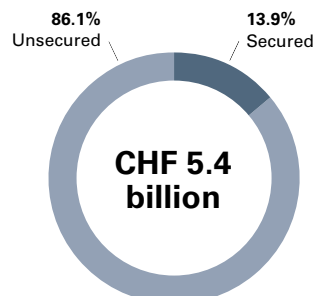
6.1 Financial liabilities

Maturity profile (without leasing)

Nominal values in CHF million



Financial structure (without leasing)



in CHF 1 000

	31.12.2021	30.06.2022
Mortgage-backed loans	858	833
Unsecured loans (private placement)	–	200 000
Convertible bonds	–	246 504
Current lease liabilities	13 661	13 879
Total current financial liabilities	14 519	461 216
Mortgage-backed loans	844 700	744 700
Unsecured loans	1 702 000	1 809 000
Convertible bonds	541 165	295 411
Bonds (incl. green bonds)	2 059 319	2 059 254
Non-current lease liabilities	268 331	264 945
Total non-current financial liabilities	5 415 515	5 173 310
Total financial liabilities	5 430 034	5 634 526

Based on the financial liabilities (excluding leases) of the Real Estate segment, the loan-to-value ratio of the property portfolio was 40.5% [40.2% as at 31 December 2021]. Our solid financial structure is one of several key reasons why Moody's gave us an A3 long-term issuer rating in January 2022.

Bonds

		CHF 190 m 2024	CHF 100 m 2024	CHF 250 m 2025	CHF 350 m 2026
Issuing volume, nominal	CHF m	190.000	100.000	250.000	350.000
Book value as at 30.06.2022	CHF m	189.952	99.796	249.967	351.453
Book value as at 31.12.2021	CHF m	189.940	99.755	249.962	351.639
Interest rate	%	1.0	2.0	0.5	0.825
Term to maturity	years	6	10	9	9
Maturity	date	16.07.2024	10.12.2024	03.11.2025	11.05.2026
Securities number		39 863 325 (SPS181)	25 704 217 (SPS142)	33 764 553 (SPS161)	36 067 729 (SPS17)
Fair value as at 30.06.2022	CHF m	188.195	101.050	239.875	336.525
Fair value as at 31.12.2021	CHF m	194.370	105.350	252.625	358.750

		CHF 350 m 2027	Green Bond CHF 300 m 2028	Green Bond CHF 300 m 2029	CHF 220 m 2031
Issuing volume, nominal	CHF m	350.000	300.000	300.000	220.000
Book value as at 30.06.2022	CHF m	351.358	299.391	299.396	217.941
Book value as at 31.12.2021	CHF m	351.499	299.338	299.356	217.830
Interest rate	%	1.25	0.375	0.65	0.375
Term to maturity	years	8	7	9	12
Maturity	date	02.04.2027	11.02.2028	18.12.2029	30.09.2031
Securities number		41 904 099 (SPS19)	58 194 781 (SPS21)	58 194 773 (SPS200)	48 850 668 (SPS192)
Fair value as at 30.06.2022	CHF m	338.100	272.400	265.500	179.850
Fair value as at 31.12.2021	CHF m	364.525	299.100	302.550	213.730

Convertible bonds

		CHF 250 m 2023	CHF 300 m 2025
Issuing volume, nominal	CHF m	250.000	300.000
Nominal value as at 30.06.2022	CHF m	247.500	296.630
Book value as at 30.06.2022	CHF m	246.504	295.411
Book value as at 31.12.2021	CHF m	245.990	295.175
Conversion price	CHF	104.07	100.35
Interest rate	%	0.25	0.325
Term to maturity	years	7	7
Maturity	date	16.06.2023	16.01.2025
Securities number		32 811 156 (SPS16)	39 764 277 (SPS18)
Fair value as at 30.06.2022	CHF m	242.996	288.176
Fair value as at 31.12.2021	CHF m	248.861	301.821

Conversion price and number of possible shares given 100% conversion

	31.12.2021 Conversion price in CHF	Number of possible shares	30.06.2022 Conversion price in CHF	Number of possible shares
Convertible bonds				
0.25%-convertible bond 16.06.2016–16.06.2023, issuing volume CHF 250.000 million, nominal value CHF 247.500 million	104.07	2 378 206	104.07	2 378 206
0.325%-convertible bond 16.01.2018–16.01.2025, issuing volume CHF 300.000 million, nominal value CHF 296.630 million	100.35	2 955 954	100.35	2 955 954
Total number of possible shares		5 334 160		5 334 160

Current and non-current financial liabilities excluding lease obligations, categorised by interest rate

	31.12.2021 Total nominal value	30.06.2022 Total nominal value
in CHF 1 000		
Financial liabilities up to 1.00%	4 238 488	4 465 463
Financial liabilities up to 1.50%	576 000	576 000
Financial liabilities up to 2.00%	284 700	264 700
Financial liabilities up to 2.50%	32 500	32 500
Financial liabilities up to 3.00%	–	–
Financial liabilities up to 3.50%	–	–
Financial liabilities up to 4.00%	20 000	20 000
Total financial liabilities	5 151 688	5 358 663

Overview of future cash outflows (including interest) from all financial liabilities

in CHF 1 000	30.06.2022 Book value	Future cash outflows	<6 months		6 to 12 months		1 to 2 years		2 to 5 years		>5 years	
			Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment
Current financial liabilities without leasing	447 337	448 923	305	200 833	285	247 500	–	–	–	–	–	–
Accounts payable	10 577	10 577	–	10 577	–	–	–	–	–	–	–	–
Other current liabilities	124 050	124 050	–	124 050	–	–	–	–	–	–	–	–
Non-current financial liabilities without leasing	4 908 365	5 111 780	18 687	–	18 687	–	36 921	43 700	82 815	2 359 130	44 340	2 507 500
Leasing liabilities	278 824	421 481	1 991	5 129	1 968	5 150	3 866	10 356	11 172	24 501	123 660	233 688
Total financial liabilities	5 769 153	6 116 811	20 983	340 589	20 940	252 650	40 787	54 056	93 987	2 383 631	168 000	2 741 188

in CHF 1 000	31.12.2021 Book value	Future cash outflows	<6 months		6 to 12 months		1 to 2 years		2 to 5 years		>5 years	
			Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment
Current financial liabilities without leasing	858	862	4	858	–	–	–	–	–	–	–	–
Accounts payable	25 297	25 297	–	25 297	–	–	–	–	–	–	–	–
Other current liabilities	129 937	129 937	–	129 937	–	–	–	–	–	–	–	–
Non-current financial liabilities without leasing	5 147 184	5 336 855	18 084	–	15 131	–	30 735	291 200	69 487	1 772 130	52 588	3 087 500
Leasing liabilities	281 992	426 610	2 008	4 788	1 985	5 022	3 902	10 103	11 182	25 340	125 541	236 739
Total financial liabilities	5 585 268	5 919 561	20 096	160 880	17 116	5 022	34 637	301 303	80 669	1 797 470	178 129	3 324 239

Due to the contractual maturities, the weighted average residual term to maturity of all interest-bearing financial liabilities was 5.0 years [5.8 years as at 31 December 2021].

7 Platform costs

7.1 Personnel costs

in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Wages and salaries	– 72 079	– 77 239
Social security expenses	– 3 889	– 5 981
Pension plan expenses	– 8 416	– 8 420
Other personnel expenses	– 2 731	– 3 158
Total personnel costs	– 87 115	– 94 798
Number of employees as at 30.06.	1 677	1 722
Number of full-time equivalents as at 30.06.	1 455	1 529

- We recognise pension expense in accordance with the provisions of IAS 19.
- The application of IAS 19 also has a significant influence on how the pension assets and liabilities are valued in the balance sheet.
- Due to higher interest rates in 2022, the discounting factor for the semi-annual financial statements has increased significantly compared to the annual financial statements, from 0.3% to 2.2%. However, in addition to a reduction in obligations, the economic benefit pursuant to IFRIC 14 is also lower. As a result, the existing surplus on the IAS 19 balance sheet at the half-year stage can no longer be recognised due to the asset ceiling and thus cannot be reported as an asset as at the end of 2021. The value change was recorded in comprehensive income.

7.2 Other operating expenses

in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Expenses for tangible assets and IT	– 7 111	– 7 796
Non-life insurance, fees	– 414	– 1 066
Capital taxes	– 2 030	– 1 320
Administrative expenses	– 4 592	– 6 088
Consultancy and audit costs	– 2 798	– 4 819
Marketing	– 1 670	– 2 468
Collection and bad debt-related losses	80	– 639
Total other operating expenses	– 18 535	– 24 196

7.3 Income taxes

in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Current income taxes of the reporting period	– 23 942	– 19 343
Adjustments for current income taxes of other accounting periods	–	126
Total current income taxes	– 23 942	– 19 217
Deferred taxes resulting from revaluation and depreciation	– 58 513	– 56 568
Deferred taxes resulting from real estate developments (long-term contracts)	1 617	–
Deferred taxes resulting from the sale of investment properties	7 865	5 940
Deferred taxes resulting from tax rate changes	4	361
Deferred taxes resulting from losses carried forward	1 543	– 6 919
Total deferred taxes	– 47 484	– 57 186
Total income taxes	– 71 426	– 76 403

8 Other disclosures

8.1 Entities included in the consolidated financial statements

- To strengthen the Real Estate Asset Management business area (Services segment), we acquired a 100% stake in the Akara Group on 10 January 2022.
- The Akara Group includes Akara Funds AG (FINMA-regulated fund provider specialising in residential and commercial properties), Akara Real Estate Management AG (real estate services in the areas of development, execution, management and marketing), Akara Property Development AG (management of a limited partnership for collective investments) and Akara Holding AG.
- The real estate assets under management, totalling around CHF 2.3 billion on the date of acquisition, comprise «Akara Diversity PK» (a real estate fund for tax-exempt pension funds), the private equity product «Akara Property Development 1 KmGK» for qualified investors and a development pipeline of more than CHF 240 million (which also includes Akara Tower in Baden).
- We are planning to integrate the Akara Group and the respective companies into Swiss Prime Site Solutions during the second half of 2022 and to merge the two fund management companies.
- With the purchase of the Akara Group, we also acquired the limited partners' shares in Akara Property Development 1 KmGK for CHF 5 million. The shares are recognised in the balance sheet as non-current financial investments.
- In the first half of 2022, the Akara Group contributed operating income of CHF 19.812 million, EBIT of CHF 5.742 million and profit of CHF 5.063 million towards the group result.
- Transaction costs amounted to CHF 0.365 million and were recognised in the income statement in consultancy expenditure under other operating expenses (reported in cash flow from operating activities).

The fair values of the identifiable assets and liabilities of the Akara Group as at the acquisition date of 10 January 2022:

in CHF 1 000	10.01.2022
Cash	944
Receivables and short-term loans (no non-collectable receivables)	17 142
Accrued income and prepaid expenses	9 074
Tangible assets	1 159
Right-of-use assets	1 727
Total assets	30 046
Accrued expenses and deferred income	9 660
Net defined benefit liabilities	2 074
Other liabilities	1 230
Lease liabilities	1 726
Total liabilities	14 690
Net assets sold	15 356
Purchase price in shares (724'691 shares of Swiss Prime Site AG)	64 359
Purchase price in cash (paid at acquisition date)	59 676
Purchase price in cash (to be paid in July 2022)	60 000
Goodwill	168 679

Goodwill comprises assets that cannot be separately identified or reliably determined, stemming primarily from future estimated earnings. Goodwill is not tax-deductible. The acquisition of the Akara Group will enable us to significantly increase our earnings and our assets under management, in addition to strengthening and expanding our strategic market position in the area of asset management (Services segment).

Fully consolidated investments in group companies (direct or indirect)

	Field of activity	31.12.2021 Capital in CHF 1 000	Shareholding in %	30.06.2022 Capital in CHF 1 000	Shareholding in %
Akara Holding AG, Zug ¹	Asset management	n.a.	n.a.	100	100.0
Akara Funds AG, Zug ¹	Asset management	n.a.	n.a.	1 800	100.0
Akara Real Estate Management AG, Zug ¹	Asset management	n.a.	n.a.	100	100.0
Akara Property Development AG, Zug ¹	Asset management	n.a.	n.a.	100	100.0
Jelmoli AG, Zurich	Retail	6 600	100.0	6 600	100.0
Swiss Prime Site Dreispitz AG, Zurich	Real estate	5 295	100.0	5 295	100.0
streamnow ag, Zurich	Real estate services	100	100.0	100	100.0
Swiss Prime Site Finance AG, Zug	Financial services	100 000	100.0	100 000	100.0
Swiss Prime Site Immobilien AG, Zurich	Real estate	50 000	100.0	50 000	100.0
Swiss Prime Site Management AG, Zug	Services	100	100.0	100	100.0
Swiss Prime Site Solutions AG, Zurich	Asset management	1 500	100.0	1 500	100.0
Wincasa AG, Winterthur	Real estate services	1 500	100.0	1 500	100.0
Zimmermann Vins SA, Carouge	Real estate	350	100.0	350	100.0

¹ acquisition as at 10.01.2022**Investments in associates valued according to the equity method**

	Field of activity	31.12.2021 Capital in CHF 1 000	Shareholding in %	30.06.2022 Capital in CHF 1 000	Shareholding in %
INOVIL SA, Lausanne	Parking	5 160	27.1	5 160	27.1
Parkgest Holding SA, Geneva	Parking	4 750	38.8	4 750	38.8

8.2 Future obligations

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

in CHF 1 000	31.12.2021	30.06.2022
2022	231 332	154 025
2023	155 835	202 758
2024	32 123	32 026
2025	–	50
2027	3 000	3 000
Total future obligations based on total contractor agreements	422 290	391 859

8.3 Fair value of financial instruments

in CHF 1 000	Fair value level 1	Fair value level 2	Fair value level 3	Total levels	30.06.2022 Book value
Financial assets at amortised cost					
Cash					32 383
Receivables					45 726
Accrued income and prepaid expenses without capital tax assets					39 232
Non-current financial assets			1 490	1 490	1 537
Financial assets at fair value					
Securities	945			945	945
Non-current financial assets			8 145	8 145	8 145
Financial liabilities at amortised cost					
Payables					134 627
Accrued expenses and deferred income without capital tax liabilities					201 080
Mortgage-backed loans		697 769		697 769	745 533
Unsecured loans		1 983 478		1 983 478	2 009 000
Convertible bonds	531 172			531 172	541 915
Bonds	1 921 495			1 921 495	2 059 254
in CHF 1 000	Fair value level 1	Fair value level 2	Fair value level 3	Total levels	31.12.2021 Book value
Financial assets at amortised cost					
Cash					114 656
Receivables					45 617
Accrued income and prepaid expenses without capital tax assets					27 110
Non-current financial assets			2 616	2 616	2 647
Financial assets at fair value					
Securities	1 351			1 351	1 351
Non-current financial assets			1 638	1 638	1 638
Financial liabilities at amortised cost					
Payables					155 234
Accrued expenses and deferred income without capital tax liabilities					150 801
Mortgage-backed loans		831 690		831 690	845 558
Unsecured loans		1 689 738		1 689 738	1 702 000
Convertible bonds	550 682			550 682	541 165
Bonds	2 091 000			2 091 000	2 059 320

8.4 Major shareholders

	31.12.2021 Shareholding interest in %	30.06.2022 Shareholding interest in %
Major shareholders (shareholding interest >3%)		
BlackRock Inc., New York	<10.0	<10.0
Credit Suisse Funds AG, Zurich	7.7	7.5
State Street Corporation, Boston	>3.0	n.a.
UBS Fund Management (Switzerland) AG, Basel	3.8	4.4

8.5 Events after the balance sheet date

The consolidated financial statements were approved for publication by the Board of Directors on 18 August 2022.

The group companies Akara Holding AG, Akara Funds AG and Akara Real Estate Management AG were acquired in the reporting year and merged into Swiss Prime Site Solutions AG on 1 July 2022. This transaction was entered in the commercial register on 9 August 2022.

There were no other events occurring between 30 June 2022 and the date of publication of these consolidated financial statements that would result in adjustment of the carrying amounts of the group's assets and liabilities as at 30 June 2022, or which would need to be disclosed at this point.

Definition of alternative performance indicators

Cash yield

Distribution per share as a percentage of the share price at the end of the period

Operating result before depreciation and amortisation (EBITDA)

Operating result before financial result and taxes (EBIT) plus depreciation on tangible assets and amortisation on intangible assets

Operating result (EBIT) excluding revaluations

Operating result before financial result and taxes (EBIT) less revaluation of investment properties

Equity ratio

Total shareholders' equity as a percentage of balance sheet total

Return on equity (ROE)

Profit (attributable to shareholders of Swiss Prime Site AG) divided by average equity (attributable to shareholders of Swiss Prime Site AG)

Return on equity (ROE) excluding revaluations and deferred taxes

Profit (attributable to shareholders of Swiss Prime Site AG) less revaluations and deferred taxes, divided by average equity (attributable to shareholders of Swiss Prime Site AG)

EPRA like-for-like rental change

Shows the development of net rental income from the stock of investment properties that were under our operational control with- in two balance sheet dates. Changes from purchases, sales and developments are not taken into account.

EPRA NDA (net disposal value)

Determines equity per share based on a sales scenario. Deferred taxes are therefore recognised as they are under IFRS.

EPRA NRV (net reinstatement value)

Determines equity per share based on the assumption that no properties are ever sold. The NAV is therefore adjusted for deferred taxes and the necessary incidental purchase expenses are added back. Captures the value of the assets that would be needed to rebuild Swiss Prime Site.

EPRA NTA (net tangible asset)

Determines equity per share on the assumption that properties are bought and sold in the same volumes as before. Some of the deferred taxes will therefore be crystallised through sales. However, based on our Company performance to date and our planning, the share of sales is low. Besides expected sales, intangible assets (in our case mainly IT systems) are fully excluded from the NTA.

Loan-to-value (LTV) ratio of the property portfolio

Current and non-current financial liabilities (without lease obligations) of the Real Estate segment as a percentage of the property portfolio (without rights of use) at fair value

Funds from operations (FFO)

This key figure is a measure of cash flow from operations (FFO I). FFO II also includes cash effective income from property sales. See note 3.2 for the calculation.

Profit excluding revaluations and deferred taxes

Profit less revaluations of investment properties and deferred taxes

Earnings per share (EPS) excluding revaluations and deferred taxes

Profit (attributable to shareholders of Swiss Prime Site AG) less revaluations and deferred taxes, divided by the weighted average number of outstanding shares

Return on invested capital (ROIC)

Profit (attributable to shareholders of Swiss Prime Site AG) plus financial expenses divided by the average balance sheet total

Return on invested capital (ROIC) excluding revaluations and deferred taxes

Profit (attributable to shareholders of Swiss Prime Site AG) plus financial expenses less revaluations and deferred taxes, divided by the average balance sheet total

Vacancy rate

Rental income from vacancies as a percentage of target rental income from the rental of investment properties

NAV (net asset value) after deferred taxes per share

Equity (attributable to shareholders of Swiss Prime Site AG) divided by the number of shares issued on the balance sheet date (excluding treasury shares)

NAV (net asset value) before deferred taxes per share

Equity (attributable to shareholders of Swiss Prime Site AG) plus deferred tax liabilities, divided by the number of shares issued at the balance sheet date (excluding treasury shares)

Net property yield

Real estate income as a percentage of the property portfolio at fair value as at the balance sheet date

Employees and full-time equivalents (FTE)

Number of persons contractually employed by a group company as at the balance sheet date. Multiplying by the percentage level of employment shows the number of full-time equivalents (FTE).

Interest-bearing financial liabilities

Current and non-current financial liabilities less derivative financial instruments (other non-current financial liabilities)

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 30.06.2022

Report of the valuation expert

The properties of Swiss Prime Site Immobilien AG are valued semi-annually by Wüest Partner AG at their current values. The present valuation is valid as of 30 June 2022.

Valuation standards and principles

The market values determined as of 30 June 2022 are in line with the «Fair Value», as defined in the International Financial Reporting Standards (IFRS) in accordance with IAS 40 (Investment Property) and IFRS 13 (Fair Value Measurement). The fair value corresponds to the price that independent market participants would receive under normal market conditions on the valuation date when selling an asset (exit price).

An exit price is the sales price postulated in the purchase contract, to which the parties have mutually agreed. Transaction costs, usually consisting of brokerage commissions, transaction taxes as well as land registry and notary costs, are not taken into account when determining the fair value. Thus, in accordance with paragraph 25 IFRS 13, the fair value is not adjusted for the transaction costs incurred by the acquirer in a sale («Gross Fair Value»). This is in line with Swiss valuation practice.

The valuation at fair value assumes that the hypothetical transaction for the asset to be valued takes place in the market with the largest volume and the largest business activity (principal market) and that transactions of sufficient frequency and volume occur so that sufficient price information is available for the market (active market). If such a market cannot be identified, the principal market for the asset is assumed to be the one that maximises the selling price on disposal of the asset.

The fair value is determined on the basis of the best possible use of a property («Highest and best use»). The best use is the use of a property that maximises its value. This assumes a use that is technically/physically possible, legally permitted and financially feasible. Since maximisation of use is assumed when determining the fair value, the best possible use may deviate from the actual or planned use. Future capital expenditures to improve or increase the value of a property are taken into account accordingly in the fair value measurement. The application of the highest and best use approach is based on the principle of the materiality of the potential difference in value of the best possible use compared with the continuing use.

Wüest Partner further confirms that the valuations have been carried out in accordance with national and international standards and guidelines, in particular in accordance with the International Valuation Standards (IVS) and the RICS guidelines (Red Book).

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 30.06.2022

Determination of fair value

The fair value is determined depending on the quality and reliability of the valuation parameters, with decreasing quality or reliability: Level 1 market price, Level 2 modified market price and Level 3 model-based valuation. In the fair value measurement of a property, different parameters can be applied simultaneously on different hierarchies. The entire valuation is classified according to the lowest level of the fair value hierarchy in which the significant valuation parameters are located.

The value of the properties of Swiss Prime Site Immobilien AG is determined using a model-based valuation in accordance with Level 3 on the basis of input parameters that are not directly observable on the market, whereby adjusted Level 2 input parameters are also applied here (for example, market rents, operating/maintenance costs, discount/capitalisation rates, proceeds from the sale of residential property). Unobservable inputs are only used if relevant observable inputs are not available. Valuation techniques are applied that are appropriate in the circumstances and for which sufficient data are available to determine fair value, maximising the use of relevant observable inputs and minimising unobservable inputs.

The investment properties are valued according to the discounted cash flow method (DCF), which corresponds to international standards and is also used for company valuations. It is recognised as "best practice" - with fundamental freedom of method in real estate valuation. With the DCF method, the current fair value of a property is determined by the sum of all expected future net earnings discounted to the present time (before interest payments, taxes, depreciation and amortisation = EBITDA), while taking investments and maintenance costs into account. The net earnings (EBITDA) are discounted individually per property, depending on the respective opportunities and risks, in line with the market and risk-adjusted. All expected cash flows are disclosed in a detailed report for each property, thus creating the greatest possible transparency. In the report, reference is made to the significant changes since the last valuation

Properties under construction and development sites with future use as investment properties are valued as project market values, taking into account current market conditions, outstanding investment costs and a risk premium commensurate with the progress of the project (IAS 40/IFRS 13).

Transparency, uniformity, timeliness and completeness are ensured in the valuation. The relevant legal provisions and specific national and international standards are complied with (SIX regulations for listed real estate companies, IFRS and others).

In order to guarantee the independence of the valuations and thus ensure the highest possible degree of objectivity, the business activities of Wüest Partner AG exclude trading and the associated commission business as well as the management of properties. The valuation is always based on the latest information about the properties and the property market. The data and documents relating to the properties are provided by the owner. It is assumed that they are correct. All property market data is taken from the continuously updated databases of Wüest Partner AG (Immo-Monitoring 2022).

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 30.06.2022

Development of the real estate portfolio

In the reporting period from 01.01.2022 to 30.06.2022, two properties were acquired and nine properties were sold. Furthermore, condominium units of building A of the property "Plan-les-Ouates, Route de la Galaise 11A et 11B – Espace Tourbillon" were sold.

In addition, the two properties "Plan-les-Ouates, Route de la Galaise 13A et B, 15A et B - Espace Tourbillon Building B" and "Richterswil, Gartenstrasse 7/17 – Etzelblick" are listed in the portfolio for the first time after completion.

Furthermore, three properties under construction are now classified as properties held for sale: In addition to the two properties "Paradiso, Riva Paradiso - Du Lac" and "Plan-les-Ouates, Route de la Galaise 11A et 11B - Espace Tourbillon building A", the property "Olten, Solothurnerstrasse 201a - USEGO-Park" is now also shown with at-cost values as of the half-year 2022. The property "Olten, Solothurnerstrasse 231 - USEGO-Areal" was split into two properties for the first time as of the half-year, with the latter continuing to be managed as a property in the portfolio.

The real estate portfolio of Swiss Prime Site Immobilien AG thus contains 179 properties as of the 30.06.2022.

In detail, the following properties with values as of 31 December 2021 were sold during the reporting period:

– Amriswil, Weinfelderstrasse 74:	CHF 7'053'000
– Burgdorf, Emmentalstrasse 14:	CHF 5'085'000
– Cham, Dorfplatz 2:	CHF 4'325'000
– Dietikon, Kirchstrasse 20:	CHF 14'570'000
– Neuchâtel, Avenue J.-J. Rousseau 7:	CHF 6'226'000
– Oberbüren, Buchental 4:	CHF 25'320'000
– Schwyz, Oberer Steisteg 18, 20:	CHF 8'908'000
– St. Gallen, Spisergasse 12:	CHF 4'874'000
– St. Gallen, Spisergasse 12 Turmgasse:	CHF 3'261'000
– Plan-les-Ouates, Route de la Galaise 11A et 11B – Espace Tourbillon, Condominium unit Geb. A:	CHF 103'000

(Sale of nine existing properties & partial sale of project 1 (0.2%-share))

The total market value of the purchased properties as of 31 December 2021 was CHF 79.725 million.

In the reporting period, the following purchases of building land and a project were made, valued as at 30 June 2022:

– Zurich, Oleanderstrasse 1:	CHF 12'890'000
– Basel Steinenvorstadt 5:	CHF 38'810'000

The total market value of the purchased properties as of 30 June 2022 is CHF 51.70 million.

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 30.06.2022

Hence, the total portfolio consists of 160 existing investment properties, 10 plots of building land and 9 development sites.

The following 9 development properties are currently in planning phase / under construction:

- At Hochbergerstrasse 60 F-I - "Stücki Park II" in Basel, the existing office and laboratory space of the Hochbergerstrasse 60 - "Stücki Park A-E" property has been expanded in two stages since 2018 by around 27,000 m² of space by 2024
- At Steinenvorstadt 5 in Basel, the building, which will become vacant at the end of October 2022, will be partially converted into managed residential and retail space after an interim use phase from 2024 until approximately mid-2025.
- At Esplanade de Pont-Rouge 5, 7, 9 - "Alto Pont-Rouge" in Lancy, a commercial building will be realised by 2023 within a larger development area containing a total of four construction sites.
- On the "USEGO-Park - Tertianum Olten" property in Olten, a project with residential use for senior citizens (nursing home and flats for senior citizens) is planned. This property should be completed by the end of 2023.
- At Riva Paradiso - "Du Lac" in Paradiso, a new replacement building is being constructed on the lakeshore, with construction having started in 2021. This future retirement home is expected to be completed in 2023.
- The Chemin des Aulx - "Espace Tourbillon" development project in Plans-les-Ouates comprises five buildings with office, commercial and retail space, three of which have now been completely sold and one of which has been completed. Parts of Building A are being sold in co-ownership in parallel.
- Zürcherstrasse 39 - "JED" in Schlieren is the former NZZ printing centre with building land reserves, which is being repurposed and is expected to be completed by the end of 2022 (JED conversion).
- On the adjacent plot, a new office / laboratory building (JED new building) is expected to be completed in 2024. The building will function without conventional heating technology.
- A new site for Google Switzerland is being developed at Müllerstrasse 16/20 in Zurich. Google will move into the building as sole tenant from 2023, after extensive interior and exterior renovation and works to bring up the property to the highest possible standard in terms of sustainability and technology. The conversion of the existing building began when the previous tenant moved out at the beginning of 2021.

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 30.06.2022

Valuation results as of 30 June 2022

As of 30 June 2022, the current value of the total property portfolio of Swiss Prime Site Immobilien AG (179 properties in total) is valued at CHF 13'066.444 million.

The current value of the portfolio has thus increased by CHF 272.944 million or 2.13% compared to 31 December 2021. Details on the performance can be found in the table below.

SPS Portfolio as of 31.12.2021		CHF 12'793.50 m.
+	Change in value of investment properties	CHF 179.22 m.
+	Change in value of projects after completion	CHF 13.87 m.
+	Purchase of development plots	CHF 12.89 m.
+	Purchase of projects	CHF 38.81 m.
-	Sales of investment properties	-CHF 79.62 m.
-	Partial sales of properties intended for sale	-CHF 0.10 m.
+	Change in value of development plots	CHF 6.66 m.
+	Change in value of projects	CHF 91.81 m.
+	Change in value of properties held for sale	CHF 9.40 m.
SPS Portfolio as of 30.06.2022		CHF 13'066.44 m.
Delta		CHF 272.94 m.

The change in value of the 158 investment properties compared to 1 January 2022 was +1.58% (excluding initial valuations after completion (2), allocation of investment properties (1), acquisitions (2), development plots (9), properties in planning or under construction (7), - a total of 21 properties), 107 properties were valued higher, 0 properties were valued the same and 51 properties were valued lower than on 1 January 2022.

The positive development in the value of the Swiss Prime Site Immobilien AG portfolio is attributable to the properties in the portfolio, the acquisitions, the building land and the properties in planning or under construction. Only the sales had a negative effect on value. In general, despite the slightly higher interest rate environment, the continuing strong seller's market supported the low yield expectations of investors and therefore also the appreciation. Furthermore, completed investments, new contracts concluded at a higher level, temporarily and structurally slightly lower vacancy rates and overall the high quality of the properties in sought-after locations contributed to the positive value development.

The declines in value are mainly related to changes in rental potential, new contracts signed at a lower level, adjusted sales forecasts and higher estimated costs for future maintenance.

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 30.06.2022

Market Report

Economic development

For more than a year now, the Swiss economy has been running at high speed. Now, however, the outlook has darkened somewhat due to increased geopolitical and economic risks. On the one hand, the war in Ukraine and the ongoing lockdowns in China are weighing on the outlook. On the other hand, inflation has picked up significantly, which is reducing purchasing power. Nevertheless, a strong economic growth of 2.6 percent is expected until the end of 2022. For 2023, the forecast lies at 1.9 percent.

Despite continued economic growth, the mood among private households has deteriorated over the last few months. In the April survey on consumer sentiment, Swiss households were more pessimistic about the future. The index recently came in at minus 27 points, significantly below the long-term average of minus 5 points.

The labour market has benefited greatly from the economic recovery, which has also led to a drop in unemployment. In June 2022, SECO recorded an unemployment rate of 2.0 percent. In addition, the number of new jobs has increased by 2.6 percent, which is well above the long-term average. There are still many job vacancies. Firstly, this should lead to a sustained boom in the labour market and therefore to new demand impulses in the office space market. Secondly, due to this development we expect a more dynamic population growth of around 1.0 percent in 2022.

Inflation has picked up strongly in practically all Western countries. In June 2022, inflation in Switzerland was 3.4 percent compared to the same month of the previous year. This means that inflation in Switzerland is well above the average of the last ten years (0.0 percent), and it is above the value of 2 percent that the Swiss National Bank (SNB) defines as the upper limit for price stability. For 2022 as a whole, the SNB expects inflation of 2.8 percent and 1.9 percent in the following year.

To counteract the increased inflationary pressure, the SNB tightened its monetary policy and raised the key interest rate by 50 basis points to minus 0.25 percent as of 17 June 2022. After more than seven years with an unchanged key interest rate, this represents a paradigm shift. The SNB's rate rise had become increasingly likely due to persistently high inflation rates and the announcement by the European Central Bank (ECB) that it would raise its key interest rates in July and September.

Yields on 10-year bonds have been rising for some time. Since the beginning of 2022 in particular, they have risen strongly and have now definitely left negative territory. At the beginning of July 2022, yields fluctuated strongly and stood at around 0.8 percent.

Construction market

Construction investments are expected to increase at an above-average rate this year. Total building construction is expected to grow by 3.3 percent in nominal terms (new construction: +3.4 percent; conversion: +3.2 percent). A major reason

The Swiss economy is developing very positively. However, there are risks of setbacks.

Dampening of consumer confidence.

Boom in the labour market and dynamic population growth.

Continuing high inflation.

Turnaround in interest rates initiated.

Rising yields for bonds.

Stable construction activity with strongly rising construction prices.

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 30.06.2022

for the above-average increase in investment sums are higher construction prices. A combination of supply bottlenecks and rising material prices led to the FSO building construction price index in April 2022 being 8.1 percent higher than in the same month of the previous year.

The construction of multi-family houses is expected to develop dynamically in 2022. The building permits issued indicate that investments in new construction in this segment will increase by 3.5 percent in 2022, while investments in conversions are expected to grow by as much as 4.5 percent.

Compared to residential real estate, investment growth in commercial space and in the area of "other building construction" will be weaker. For new construction and conversion of commercial space, we expect an increase of 2.8 percent and 0.5 percent respectively.

Office space market

User demand for office space sees a stable development. The resilience of the market is due to the considerably strong employment trend. The number of employees (full and part-time) rose by 102'800 in the first quarter of 2022 (compared to the same quarter of the previous year), which corresponds to a growth of 2.6 percent. In the 3rd sector, the increase was even 2.8 percent. Because there are still a large number of vacancies, the momentum on the labour market is likely to continue. These developments indicate that demand for offices will also continue to increase.

The average lease terms in the office market have recently decreased somewhat. An analysis of newly concluded leases shows that the average lease terms for office space declined noticeably in 2021: While they averaged 6.6 years in the years before the COVID-19 pandemic, they were 6.1 years in 2021. Smaller rental spaces were particularly affected by this. It is precisely in this market segment that there has recently been the strongest dynamic in newly concluded office leases, because many growth sectors have a high proportion of small companies.

In the first quarter of 2022, 2.5 percent more office space was offered on the market in Switzerland compared to the same quarter of the previous year. The agglomeration municipalities recorded the strongest growth during this period. The development in the major city centres were much more stable.

Median rents for advertised office space were 2.4 percent lower in Q1 2022 than in the same quarter of the previous year. Wüest Partner expects asking rents to fall in 2022 due to increased capacity, although the decline is likely to be less pronounced (minus 0.9 percent) than in the previous year.

Retail space market

The structural challenges in the retail space sector remain and determine the market development in this segment. Despite the recovery in retail trade and real sales growth of 4.7 percent in 2021, the demand for retail space has only benefited to a limited extent. Due to the steadily increasing share of online trade, the development of retail trade turnover is only partially reflected in the demand for retail space. This trend is particularly evident in the non-food sector.

Noticeable Increase in renovation investments in apartment buildings.

Little momentum in new construction of commercial space.

Sustained employment growth expected, supporting demand for office space.

Slight decline in medium contract durations.

Stable supply development in the major centres.

Slight pressure on rents of advertised space.

Ongoing structural change in the retail space segment.

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 30.06.2022

The stationary retail trade is renting less and less retail space, as an analysis of newly concluded leases for ground floor space shows. Instead, these spaces are often rented by personal service providers such as fitness centers, hair salons, and beauty salons.

Personal service providers are increasingly renting the classic retail space.

Nevertheless, the decreasing space requirements of the retail trade are reflected in the total slightly increasing vacancy figures. In the agglomerations of and in the large centres, the additional space was still well absorbed, but this was not the case in the small and medium-sized centres.

Slight increase in vacancies outside the major city centres.

The prime locations in the big cities are exempt from these challenges. Highly frequented pedestrian zones are significantly more resistant to the shifts towards online retail. This development supported prime rents in such locations. In some cities, top rents increased significantly within a year compared to the last quarter of 2020: around 4 percent in Lausanne and almost 11 percent in Zurich. In Geneva and Basel, on the other hand, prime rents hardly moved at all.

Top locations in high demand.

Market for retirement living

The proportion of people in retirement age will increase in the coming years, and thus the demand for properties for senior citizens should continue to rise. The number of persons aged at least 80 years was 458'300 (as of the end of 2020), 1.0 percent higher than in the previous year.

Higher proportion of older population increases demand.

In particular, customisable forms of living (with modular and flexible services), affordable retirement living and simpler forms of care (e.g. concierge service or outpatient care) are increasingly attracting interest. The demand is met by a large variety of offers with attractive quality standards and retirement flats in good condition. As a result, older retirement and nursing homes increasingly have larger vacancies.

Wide variety of offers.

High quality standards, flexible structures, specialised forms of living and differentiated service offers are consequently becoming increasingly important for the success of properties in the retirement living segment. In principle, the development of market rents for retirement flats runs parallel to the development of supply prices for conventional flats.

High requirements

Hospitality

The recovery of hotel and resort businesses after the losses during the COVID 19 pandemic continues. In the first four months of 2022, 47 percent more overnight stays were recorded by the FSO than in the same period of the previous year. The number of overnight stays by foreign guests in particular recovered and almost tripled compared to the same period last year.

Recovery at the hotel and resort businesses.

According to the FSO statistics, the average bed occupancy rate also improved significantly, rising by more than 7 percentage points to 35.1 percent in the months from January to April 2022. After all, around half of the establishments were able to match or exceed their pre-pandemic turnover in the spring season of 2022. It is noticeable that the city hotel industry in particular is still struggling with lower turnover.

Improvement in occupancy.

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According to HotellerieSuisse, the course of business in the coming summer months should be similar to that in spring. Although the most important key figures for the tourism industry are still below the previous year's level, the KOF expects the number of overnight stays to be higher in 2023 than in the years before 2018 in its tourism forecast. The recovery of the Swiss hotel industry should therefore continue, although the weakening of the global economy could dampen tourism demand.

The recovery is expected to continue.

According to an evaluation by Wüest Partner, the average room rate in 2021 was 199 francs. For the owners of hotel properties, this means a room value of 232'000 francs on average. This value varies according to location: in larger cities, the value per room was CHF 430'000, in mountain regions CHF 225'000, in small towns CHF 160'000 and in the countryside CHF 155'000.

Wide range of room values.

Investor market for Investment properties

The increase in key interest rates and the rise in bond yields in the first half of 2022 led to a new situation on the investor market. However, the situation is complex. At the time of writing this report, evaluations of initial yields for the months January to May 2022 were available. In these months, the median net initial yield for investment properties was 3.0 percent, the same level as in the previous year. The willingness to pay for investment properties thus remained at a high level until mid 2022.

New baseline in the investor market, but stable initial returns.

There are three main reasons why bond yields, but not initial yields, rose in the first five months. Firstly, investment properties with their partial inflation protection have an advantage over bonds in times of significant inflation. Secondly, the real estate market is experiencing dynamic user demand for rental apartments and office space. This means relatively secure income and low vacancy risks. And thirdly, a "time lag" has been observed in the past until initial real estate yields react to interest rate changes.

Three reasons for the stable development.

In addition, the market for Swiss investment properties has proven to be robust in previous crises this millennium. Nevertheless, the current situation is different. In particular, the opportunity costs of real estate investments have risen, as have interest rates on borrowed capital. The assessment of the medium-term significance of this development is currently subject to significant uncertainties for Swiss investment properties.

Real estate robust in times of crisis.

There was more movement in indirect real estate investments in the first half of 2022. This asset class basically follows the developments on the global stock markets. Thus, strong price losses had to be booked in the last few weeks. In particular, the listed real estate funds, which have shown an impressive performance in recent years, recorded strong value corrections. Since the beginning of the year, the performance (according to WUPIX-F) is minus 19.0 percent (as of 16 June 2022). During the same period, listed real estate companies recorded a price decline of minus 9.7 percent (according to WUPIX-A). The current price levels are at the level of July 2020 for the real estate funds and at the level of December 2020 for the real estate stock corporations.

Value adjustments for indirect real estate investments.

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Valuation assumptions as of 30 June 2022

In addition to the above comments on valuation standards and methods, the main general valuation assumptions used in the present valuations are listed below.

Investment properties including building land

The properties are generally valued on a going concern basis and on the basis of the best possible use of a property. The current rental situation and the current condition of the property form the starting point. After expiry of the existing rental contracts, the current market level is included in the income forecast.

On the cost side, the maintenance and repair costs necessary to achieve sustainable income as well as the ongoing management costs are taken into account.

In principle, an average and obvious management strategy is assumed. Specific scenarios of the owner are not taken into account or are only taken into account to the extent that they are agreed upon in the rental contract or to the extent that they also appear plausible and practicable for third parties. Possible optimisation measures in line with the market - such as improved letting in the future - are taken into account.

In the valuation or observation period of the DCF method, a more detailed cash flow forecast is prepared for the first ten years, while approximate annualised assumptions are made for the subsequent remaining term.

An annual inflation rate of 1.0% is implicitly assumed in the valuation. However, the cash flows as well as the discount rates are generally shown on a real basis in the valuation reports.

The specific indexation of the existing leases is taken into account. After expiry of the contracts, an average indexation rate of 80% is assumed, with the rents being adjusted to the market level every five years. Payments are generally assumed as advanced monthly after expiry of the leases.

On the side of operating costs (owner's charges), it is generally assumed that completely separate ancillary cost accounts are kept and thus ancillary and operating costs are outsourced as far as legally permissible. Maintenance costs (repair and maintenance costs) are determined using benchmarks and model calculations. Based on a rough estimate of the condition of the individual components, their remaining service life is inferred, the periodic renewal is modelled and the annual annuities are determined from this. The calculated values are checked for plausibility using benchmarks collected by Wüest Partner AG and comparable properties. In the first ten years, 100% of the maintenance costs are included in the calculation, taking into account any possible rent surcharges in the income forecast. From year eleven onwards, maintenance costs are taken into account at 50% to 70% (only value-preserving portions), without modelling possible rent premiums. Contaminated sites are not quantified in the individual valuations; they are to be considered separately by the client.

The discount rate applied is based on continuous observation of the real estate market and is derived from a model and checked for plausibility on the basis of a real interest rate, which is composed of the risk-free interest rate (long-term

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federal government bonds) plus general real estate risks plus property-specific surcharges and is determined on a risk-adjusted basis per property. The average real discount rate weighted by the market value of the investment properties (160 investment properties) is 2.71% in the current valuation. Assuming an inflation rate of 1.0%, this corresponds to a nominal discount rate of 3.74%. The lowest real discount rate selected for an individual property is now 1.65%, the highest 4.85%.

The valuations are based on the rent rolls of the administrations as of 1 July 2022 and on the area information provided by the clients/administrations.

Credit risks of the respective tenants are not explicitly taken into account in the valuation, as it is assumed that corresponding contractual hedges will be concluded.

Wüest Partner AG
Zurich, 27 July 2022



Andrea Bernhard
Director



Gino Fiorentin
Partner

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 30.06.2022

Disclaimer

The valuations carried out by Wüest Partner AG represent an economic assessment based on the available information, the majority of which was provided by the client. Wüest Partner AG has not undertaken or commissioned any legal, construction-related, or other specific clarifications. Wüest Partner AG assumes that the information and documents received are correct; however, no guarantee can be given for this. Value and price may differ. Specific circumstances affecting the price cannot be taken into account in the valuation. The valuation made as at the valuation date is only valid at this specific point in time and may be influenced by later or not yet known events; in this case a new valuation would be necessary.

Since the accuracy of the results of a valuation cannot be objectively guaranteed, no liability can be derived from this on the part of Wüest Partner AG and/or the author.

Zurich, 27 July 2022

EPRA reporting

EPRA performance key figures

The EPRA performance key figures of Swiss Prime Site were prepared in accordance with EPRA BPR (February 2022).

Summary table EPRA performance measures

		in	01.01.– 30.06.2021 or 31.12.2021	01.01.– 30.06.2022 or 30.06.2022
A.	EPRA earnings	CHF 1 000	108 546	122 820
	EPRA earnings per share (EPS)	CHF	1.43	1.60
B.	EPRA Net Reinstatement Value (NRV)	CHF 1 000	8 660 723	8 754 132
	EPRA NRV per share	CHF	106.52	106.71
	EPRA Net Tangible Assets (NTA)	CHF 1 000	8 206 006	8 266 911
	EPRA NTA per share	CHF	100.93	100.78
	EPRA Net Disposal Value (NDV)	CHF 1 000	6 942 590	7 164 557
	EPRA NDV per share	CHF	85.39	87.34
C.	EPRA NIY	%	3.2	3.1
	EPRA topped-up NIY	%	3.3	3.2
D.	EPRA vacancy rate	%	3.8	4.5
E.	EPRA cost ratio (including direct vacancy costs)	%	22.6	24.3
	EPRA cost ratio (excluding direct vacancy costs)	%	20.4	22.4
F.	EPRA LTV	%	39.7	38.8
G.	EPRA like-for-like change relative	%	–0.7	1.9
H.	EPRA capital expenditure	CHF 1 000	130 445	177 278

A. EPRA earnings

in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Earnings per consolidated income statement	251 498	267 407
Exclude:		
Revaluations of investment properties	– 134 288	– 166 585
Profit on disposal of real estate developments and trading properties	– 11 454	– 100
Profit on disposal of investment properties	– 36 011	– 14 654
Tax on profits on disposals	7 987	2 323
Negative goodwill/goodwill impairment	n.a.	n.a.
Changes in fair value of financial instruments	– 251	–
Transaction costs on acquisitions of group companies and associated companies	–	365
Deferred tax in respect of EPRA adjustments	31 065	34 064
Adjustments in respect of joint ventures	n.a.	n.a.
Adjustments in respect of non-controlling interests	n.a.	n.a.
EPRA earnings	108 546	122 820
Average number of outstanding shares	75 966 844	76 694 730
EPRA earnings per share in CHF	1.43	1.60
Adjustment profit on disposal of real estate developments and trading properties (core business)	11 454	100
Tax on profit on disposal of real estate developments and trading properties	– 1 603	– 14
Adjusted EPRA earnings	118 397	122 906
Adjusted EPRA earnings per share in CHF	1.56	1.60

B. EPRA net asset value (NAV) metrics

in CHF 1 000	EPRA NRV		EPRA NTA		EPRA NDV	
	31.12.2021	30.06.2022	31.12.2021	30.06.2022	31.12.2021	30.06.2022
Equity attributable to shareholders	6 409 682	6 427 235	6 409 682	6 427 235	6 409 682	6 427 235
Include / Exclude:						
i) Hybrid instruments	541 165	541 915	541 165	541 915	541 165	541 915
Diluted NAV	6 950 847	6 969 150	6 950 847	6 969 150	6 950 847	6 969 150
Include:						
ii.a) Revaluation of investment properties ¹	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ii.b) Revaluation of investment properties under construction ¹	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ii.c) Revaluation of other non-current investments	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
iii) Revaluation of tenant leases held as finance leases	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
iv) Revaluation of trading properties	–	–	–	–	–	–
Diluted NAV at Fair Value	6 950 847	6 969 150	6 950 847	6 969 150	6 950 847	6 969 150
Exclude:						
v) Deferred tax in relation to fair value gains of investment properties	1 279 768	1 315 533	1 264 108	1 304 855		
vi) Fair value of financial instruments	–	–	–	–		
vii) Goodwill as a result of deferred tax	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
viii.a) Goodwill as per IFRS balance sheet ²			–	–	–	–
viii.b) Intangibles as per IFRS balance sheet			– 32 243	– 31 264		
Include:						
ix) Fair value of fixed interest rate debt					– 8 257	195 407
x) Revaluation of intangibles to fair value ³	300 739	338 094				
xi) Real estate transfer tax	129 369	131 355	23 294	24 170		
EPRA NAV	8 660 723	8 754 132	8 206 006	8 266 911	6 942 590	7 164 557
Fully diluted number of shares	81 303 869	82 033 211	81 303 869	82 033 211	81 303 869	82 033 211
EPRA NAV per share in CHF	106.52	106.71	100.93	100.78	85.39	87.34

¹ If IAS 40 cost option is used² Only related to Real Estate segment³ Include off balance sheet intangibles of the services segment. Basis of the valuation: business plan for the next four years approved by the BoD, average DCF and EBITDA-multiples based on comparable transactions. 9.5% average discount rate, 1.0% terminal growth

C. EPRA NIY and EPRA topped-up NIY (net initial yield) on rental income

in CHF 1 000		31.12.2021	30.06.2022
Investment property - wholly owned		12 740 034	13 003 680
Investment property - share of joint ventures/funds		n.a.	n.a.
Trading properties		53 466	62 764
Less: properties under construction and development sites, building land and trading properties		- 1 103 475	- 1 060 279
Value of completed property portfolio		11 690 025	12 006 165
Allowance for estimated purchasers' costs		n.a.	n.a.
Gross up value of completed property portfolio	B	11 690 025	12 006 165
Annualised rental income		442 469	444 740
Property outgoings		- 67 931	- 67 854
Annualised net rental income	A	374 538	376 886
Add: notional rent expiration of rent-free periods or other lease incentives		10 214	3 637
Topped-up net annualised rental income	C	384 752	380 523
EPRA NIY	A/B	3.2%	3.1%
EPRA topped-up NIY	C/B	3.3%	3.2%

D. EPRA vacancy rate

in CHF 1 000		31.12.2021	30.06.2022
Estimated rental value of vacant space	A	17 246	20 798
Estimated rental value of the whole portfolio	B	458 685	463 684
EPRA vacancy rate	A/B	3.8%	4.5%¹

¹ 3.5% excl. Plan-les-Ouates, Espace Tourbillon, Building B

E. EPRA cost ratios

in CHF 1 000		01.01.– 30.06.2021	01.01.– 30.06.2022
Operating expenses per Real Estate segment income statement		52 450	56 321
Net service charge costs/fees		-	-
Management fees less actual/estimated profit element		-	-
Other operating income/recharges intended to cover overhead expenses less any related profits		-	-
Share of Joint Ventures expenses		-	-
Exclude:			
Investment property depreciation		-	-
Ground rent costs		-	-
Service charge costs recovered through rents but not separately invoiced		-	-
EPRA costs (including direct vacancy costs)	A	52 450	56 321
Direct vacancy costs		- 5 028	- 4 304
EPRA costs (excluding direct vacancy costs)	B	47 422	52 017
Gross rental income less ground rents per IFRS ¹		232 477	232 149
Less: service fee and service charge costs components of gross rental income		-	-
Add: share of Joint Ventures (gross rental income less ground rents)		-	-
Gross rental income	C	232 477	232 149
EPRA cost ratio (including direct vacancy costs)	A/C	22.6%	24.3%
EPRA cost ratio (excluding direct vacancy costs)	B/C	20.4%	22.4%
Overhead and operating expenses capitalised		-	1 273

¹ Calculated at full occupancy

F. EPRA LTV

in CHF 1 000	Group as reported	Proportionate Consolidation			Combined 30.06.2022
		Share of Joint Ventures	Share of Material Associates	Non-con- trolling Interests	
Include:					
Borrowings from Financial Institutions	2 554 533	–	–	–	2 554 533
Commercial paper	–	–	–	–	–
Hybrids (including Convertibles, preference shares, debt, options, perpetuals)	544 130	–	–	–	544 130
Bond Loans	2 060 000	–	–	–	2 060 000
Foreign Currency Derivatives (futures, swaps, options and forwards)	–	–	–	–	–
Net Payables ¹	146 401	–	–	–	146 401
Owner-occupied property (debt)	–	–	–	–	–
Current accounts (Equity characteristic)	–	–	–	–	–
Exclude:					
Cash and cash equivalents	–32 383	–	–	–	–32 383
Net Debt (a)	5 272 681	–	–	–	5 272 681
Include:					
Owner-occupied property	597 670	–	–	–	597 670
Investment properties at fair value	11 294 018	–	–	–	11 294 018
Properties held for sale	239 826	–	–	–	239 826
Properties under development	934 930	–	–	–	934 930
Intangibles ²	538 037	–	–	–	538 037
Net Receivables	–	–	–	–	–
Financial assets	1 534	–	–	–	1 534
Total Property Value (b)	13 606 015	–	–	–	13 606 015
LTV (a/b)	38.8%	–	–	–	38.8%

in CHF 1 000	Group as reported	Proportionate Consolidation			Combined 31.12.2021
		Share of Joint Ventures	Share of Material Associates	Non-con- trolling Interests	
Include:					
Borrowings from Financial Institutions	2 547 558	–	–	–	2 547 558
Commercial paper	–	–	–	–	–
Hybrids (including Convertibles, preference shares, debt, options, perpetuals)	544 130	–	–	–	544 130
Bond Loans	2 060 000	–	–	–	2 060 000
Foreign Currency Derivatives (futures, swaps, options and forwards)	–	–	–	–	–
Net Payables ¹	172 915	–	–	–	172 915
Owner-occupied property (debt)	–	–	–	–	–
Current accounts (Equity characteristic)	–	–	–	–	–
Exclude:					
Cash and cash equivalents	–114 656	–	–	–	–114 656
Net Debt (a)	5 209 947	–	–	–	5 209 947
Include:					
Owner-occupied property	597 611	–	–	–	597 611
Investment properties at fair value	11 044 259	–	–	–	11 044 259
Properties held for sale	303 590	–	–	–	303 590
Properties under development	848 040	–	–	–	848 040
Intangibles ²	332 982	–	–	–	332 982
Net Receivables	–	–	–	–	–
Financial assets	2 635	–	–	–	2 635
Total Property Value (b)	13 129 117	–	–	–	13 129 117
LTV (a/b)	39.7%	–	–	–	39.7%

¹ Net payables include the following consolidated balance sheet line items: (-) accounts receivable, (-) other current receivables, (-) current income tax assets, (+) accounts payable, (+) other current liabilities, (+) advance payments, (+) current income tax liabilities

² Include among others off balance sheet intangibles of the services segment. Basis of the valuation: business plan for the next four years approved by the BoD, average DCF and EBITDA-multiples based on comparable transactions. 9.5% average discount rate, 1.0% terminal growth

G. EPRA like-for-like rental change

in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Rental income per Real Estate segment income statement	222 301	222 818
Acquisitions	–47	–326
Disposals	–2 131	–84
Development and new building projects	–8 162	–6 843
Property operating expenses	–8 480	–8 187
Property leases	–3 329	–3 386
Conversions, modifications, renovations	–	–
Other changes	–	–
Total EPRA like-for-like net rental income	200 152	203 992
EPRA like-for-like change absolute	–1 466	3 840
EPRA like-for-like change relative	–0.7%	1.9%
EPRA like-for-like change by areas		
Zurich	–1.9%	2.0%
Lake Geneva	–3.2%	3.7%
Northwestern Switzerland	1.2%	5.4%
Berne	0.2%	0.4%
Central Switzerland	–1.0%	2.4%
Eastern Switzerland	9.8%	–11.0%
Southern Switzerland	6.2%	–22.3%
Western Switzerland	0.4%	–2.0%

Like-for-like net rental growth compares the growth of the net rental income of the portfolio that has been consistently in operation, and not under development, during the two full preceding periods that are described. Like-for-like rental growth 2022 is based on a portfolio of CHF 11 778.720 million [CHF 11 343.122 million] which grew in value by CHF 435.598 million [CHF 181.900 million].

H. Property-related EPRA CAPEX

in CHF 1 000	01.01.– 30.06.2021	01.01.– 30.06.2022
Acquisitions	18 082	56 096
Development (ground-up/green field/brown field)	68 431	75 229
Like-for-like portfolio	40 584	43 307
Capitalised interests	3 319	2 503
Other	29	143
Total EPRA capital expenditure	130 445	177 278
Conversion from accrual to cash basis	–24 355	–9 466
Total EPRA capital expenditure on cash basis	106 090	167 812

Five-year summary of key figures

	in	Swiss GAAP FER			IFRS	
		30.06.2018	30.06.2019	30.06.2020	30.06.2021	30.06.2022
Fair value of real estate portfolio	CHF m	10 819.1	11 467.8	11 880.9	12 457.6	13 066.4
Rental income from properties	CHF m	240.9	239.3	219.9	213.4	214.2
Vacancy rate	%	4.7	4.7	5.4	4.7	4.4
Net property yield	%	3.7	3.5	3.3	3.2	3.1
Income from real estate developments	CHF m	25.0	34.7	22.8	36.3	8.4
Income from real estate services	CHF m	58.9	57.0	58.6	56.9	59.5
Income from retail	CHF m	59.6	57.2	43.6	46.0	57.4
Income from assisted living	CHF m	193.8	206.1	72.4	–	–
Income from asset management	CHF m	3.4	8.8	4.8	8.3	27.2
Total operating income	CHF m	585.3	607.7	425.2	369.7	378.9
Operating result before depreciation and amortisation (EBITDA)	CHF m	242.9	297.2	322.6	359.9	377.4
Operating result (EBIT)	CHF m	232.9	286.1	313.6	348.5	365.4
Profit	CHF m	152.0	356.5	269.7	251.5	267.4
Shareholders' equity	CHF m	4 663.8	5 213.3	5 744.4	6 183.7	6 427.2
Equity ratio	%	41.2	43.6	46.0	46.6	46.6
Borrowed capital	CHF m	6 663.8	6 752.7	6 733.6	7 097.0	7 357.9
Borrowed capital ratio	%	58.8	56.4	54.0	53.4	53.4
Total shareholders' equity and borrowed capital	CHF m	11 327.6	11 966.0	12 478.0	13 280.7	13 785.2
Interest-bearing financial liabilities	CHF m	5 160.0	5 342.5	5 353.3	5 518.9	5 634.5
Interest-bearing financial liabilities in % of balance sheet total	%	45.6	44.6	42.9	41.6	40.9
Loan-to-value ratio of property portfolio (LTV)	%	47.7	46.6	45.1	42.0	40.5
Weighted average interest rate on financial liabilities	%	1.4	1.4	1.2	0.9	0.7
Weighted average residual term to maturity of interest-bearing financial liabilities	years	4.4	4.3	4.6	5.1	5.0
Return on equity (ROE)	%	6.4	13.8	9.6	8.2	8.3
Return on invested capital (ROIC)	%	3.4	6.6	4.9	4.2	4.2
Cash flow from operating activities	CHF m	157.1	200.0	132.5	178.1	141.1
Cash flow from investing activities	CHF m	– 159.4	– 168.1	398.9	36.2	– 143.1
Cash flow from financing activities	CHF m	– 10.0	– 62.3	– 342.7	– 225.6	– 80.4
Key financial figures excluding revaluations and all deferred taxes						
Operating result (EBIT)	CHF m	197.8	200.8	361.0	214.2	198.8
Profit	CHF m	151.1	151.3	320.0	164.7	158.0
Return on equity (ROE)	%	6.4	6.1	11.3	5.4	5.0
Return on invested capital (ROIC)	%	3.4	3.2	5.7	2.9	2.6

Five-year summary of key figures

Key figures per share	in	Swiss GAAP FER			IFRS	
		30.06.2018	30.06.2019	30.06.2020	30.06.2021	30.06.2022
Share price at end of period	CHF	91.15	85.25	87.60	91.80	83.75
Share price, highest	CHF	94.30	88.20	123.70	94.65	100.10
Share price, lowest	CHF	85.50	80.20	86.60	85.00	81.50
Earnings per share (EPS)	CHF	2.13	4.69	3.55	3.31	3.49
Earnings per share (EPS) excluding revaluations and deferred taxes	CHF	2.11	1.99	4.21	2.17	2.06
NAV before deferred taxes ¹	CHF	81.80	82.71	90.05	97.67	100.95
NAV after deferred taxes ¹	CHF	65.25	68.64	75.62	81.40	83.80
Distribution to shareholders	CHF	3.80	3.80	3.80	3.35	3.35
Cash yield on closing price of the previous year	%	4.2	4.8	3.4	3.9	3.7
Share performance (TR) p.a. in the last 12 months	%	9.1	-1.5	6.9	8.7	-5.4
Share performance (TR) p.a. in the last 3 years	%	13.4	3.5	4.8	4.6	3.2
Share performance (TR) p.a. in the last 5 years	%	10.6	8.0	9.0	5.2	3.4
Market capitalisation	CHF m	6515.3	6474.4	6655.0	6974.1	6425.2
Employees						
Number of employees	people	6 100	6 275	1 660	1 677	1 722
Full-time equivalents	FTE	4 937	5 188	1 482	1 455	1 529
Share statistics						
Shares issued	number	71 478 917	75 946 349	75 970 364	75 970 364	76 718 604
Average treasury shares held	number	-380	-1 019	-5 505	-3 520	-7 246
Average outstanding shares	number	71 478 537	75 945 330	75 961 244	75 966 844	76 694 730
Treasury shares held	number	-302	-918	-1 801	-1 122	-19 553
Outstanding shares	number	71 478 615	75 945 431	75 968 563	75 969 242	76 699 051

¹ Services segment (real estate-related business fields) included at book values and not at fair values

Property details

Summary

Property details as at 30.06.2022

Overview of type of use

	Fair Value TCHF	Target rental and land lease income TCHF	Vacancy rate %	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel / gastronomy	Assisted living %	Storage facilities %	Other %
Total properties	12 006 165	227 268	4.3	1 138 658	1 628 904	17.4	42.0	6.9	8.4	22.3	3.0
Total building land	62 585	126	-	78 950	18 071	-	1.6	-	-	-	98.4
Total properties under construction and development sites	997 694	5 165	-	53 966	34 715	7.7	60.9	6.0	-	12.5	12.9
Overall total	13 066 444	232 559		1 271 574	1 681 690	17.0	42.0	6.8	8.1	21.8	4.3
Rent losses from vacancies		-9 741									
Consolidated subtotal segment		222 818	4.2								
Intercompany eliminations		-15 352									
Rental income from third parties, Services segment		6 716									
Consolidated overall total		214 182	4.4								

Investment properties

Property details as at 30.06.2022

Overview of type of use

	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel / gastronomy	Assisted living %	Storage facilities %	Other %
Aarau, Bahnhofstrasse 23	474	8.5	sole ownership	1946	1986	685	1 817	55.2	28.1	–	–	12.4	4.3
Amriswil, Weinfelderstrasse 74	1	–	sold 01.01.2022										
Baar, Grabenstrasse 17, 19	602	–	sole ownership	2015		2 084	3 685	–	95.8	–	–	4.2	–
Baar, Zugerstrasse 57, 63	1 210	–	sole ownership	2009		6 029	8 999	–	89.8	–	–	6.7	3.5
Baden, Bahnhofstrasse 2	170	–	sole ownership	1927	1975	212	979	93.4	–	–	–	6.6	–
Baden, Weite Gasse 34, 36	216	5.0	sole ownership	1953	1975	366	1 377	16.3	30.9	–	–	8.0	44.8
Basel, Aeschenvorstadt 2–4	964	4.7	sole ownership	1960	2005	1 362	6 226	17.1	63.8	–	–	18.6	0.5
Basel, Barfüsserplatz 3	590	14.5	sole ownership	1874	2020	751	3 827	9.7	78.6	–	–	11.6	0.1
			1870/										
Basel, Centralbahnplatz 9/10	434	2.5	sole ownership	2005	2005	403	1 445	6.6	37.9	22.9	–	14.7	17.9
Basel, Elisabethenstrasse 15	675	–	sole ownership	1933	1993	953	4 281	13.0	71.7	7.8	–	7.5	–
Basel, Freie Strasse 26/Falknerstrasse 3	635	4.4	sole ownership	1854	1980	471	2 877	43.5	50.2	–	–	6.3	–
Basel, Freie Strasse 36	775	–	sole ownership	1894	2003	517	2 429	59.4	13.6	–	–	21.5	5.5
			2015/										
Basel, Freie Strasse 68	1 172	–	sole ownership	1930	2016	1 461	8 200	19.5	1.2	62.9	–	15.9	0.5
Basel, Henric Petri-Strasse 9/Elisabethenstrasse 19	796	1.6	sole ownership	1949	1985	2 387	6 778	4.2	75.1	–	–	20.7	–
			sole ownership land lease										
Basel, Hochbergerstrasse 40/parking	295	3.3	sole ownership land lease	1976		4 209	–	–	–	–	–	–	–
Basel, Hochbergerstrasse 60/building 860	83	5.1	sole ownership	1990		980	897	–	84.1	–	–	14.1	1.8
Basel, Hochbergerstrasse 60/Stücki Park	3 626	–	sole ownership	2008		8 343	37 293	–	86.7	–	–	13.2	0.1
Basel, Hochbergerstrasse 62	212	–	sole ownership	2005		2 680	–	–	–	–	–	–	–
			2019–										
Basel, Hochbergerstrasse 70/Stücki Park (Shopping)	3 847	8.9	sole ownership	2009	2021	46 416	44 079	20.9	15.0	55.7	–	7.9	0.5
			sole ownership partial land lease										
Basel, Messeplatz 12/Messeturm	4 432	19.5	partial land lease	2003		2 137	23 812	–	53.9	42.7	–	3.4	–
			freehold property										
Basel, Peter Merian-Strasse 80 ¹	31	–	freehold property	1999		19 214	8 343	–	81.2	–	–	16.7	2.1
Basel, Rebgrasse 20	1 448	4.7	sole ownership	1973	1998	3 713	8 843	47.3	11.9	14.7	–	15.1	11.0
			1948–										
Berlingen, Seestrasse 83, 88, 101, 154	987	–	sole ownership	1998		10 321	8 650	–	–	–	100.0	–	–
Berne, Genfergasse 14	2 172	–	sole ownership	1905	1998	4 602	15 801	–	89.1	–	–	10.9	–
			1969/										
Berne, Mingerstrasse 12–18/PostFinance Arena	3 384	–	sole ownership land lease	2009	2009	29 098	46 366	0.2	17.7	–	–	82.1	–
Berne, Schwarztorstrasse 48	903	0.1	sole ownership	1981	2011	1 959	8 163	–	75.5	–	–	24.3	0.2
			1970/										
Berne, Viktoriastrasse 21, 21a, 21b/Schönburg	3 083	0.8	sole ownership	2020	2020	14 036	20 930	7.9	–	34.6	–	3.4	54.1
			sole ownership land lease										
Berne, Wankdorfallee 4/EspacePost	4 089	–	sole ownership land lease	2014		5 244	33 647	–	94.2	–	–	4.9	0.9
			1975/										
Berne, Weltpoststrasse 5	2 519	10.2	sole ownership land lease	1985	2013	19 374	25 175	–	68.3	4.4	–	25.4	1.9
			sole ownership land lease										
Biel, Solothurnstrasse 122	249	–	sole ownership land lease	1961	1993	3 885	3 319	74.9	2.7	–	–	15.3	7.1
Brugg, Hauptstrasse 2	456	8.7	sole ownership	1958	2000	3 364	4 179	42.1	4.2	22.2	–	28.8	2.7
Buchs SG, St. Gallerstrasse 5	203	5.9	sole ownership	1995		2 192	1 685	–	71.8	–	–	19.3	8.9
			2009/										
Buchs ZH, Mülibachstrasse 41	805	–	sole ownership	2020		20 197	10 030	–	17.3	–	–	82.7	–
Burgdorf, Emmentalstrasse 14	101	–	sold 31.03.2022										
			sole ownership partial land lease										
Burgdorf, Industrie Buchmatt	395	–	partial land lease	1973		15 141	11 967	2.9	5.4	–	–	91.3	0.4
Carouge, Avenue Cardinal-Mermillod 36–44	4 683	4.0	sole ownership	1956	2002	14 372	35 040	22.9	56.6	3.5	–	15.8	1.2
			freehold property and co-ownership land lease										
Carouge, Rue Antoine-Jolivet 7	155	–	freehold property and co-ownership land lease	1975		3 693	3 515	3.8	0.7	5.0	–	26.1	64.4
Cham, Dorfplatz 2	–	–	sold 01.01.2022										
Conthey, Route Cantonale 2	191	–	sole ownership	1989		3 057	2 480	71.6	4.6	–	–	23.0	0.8
			sole ownership land lease										
Conthey, Route Cantonale 4	426	30.8	sole ownership land lease	2009		7 444	4 979	80.3	–	3.0	–	15.7	1.0

¹ Not available for rent between April 2021 and June 2022 due to extensive interior renovations

Investment properties

Property details as at 30.06.2022

Overview of type of use

	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel / gastronomy	Assisted living %	Storage facilities %	Other %
Conthey, Route Cantonale 11	828	12.0	sole ownership land lease	2002		10537	7323	64.8	16.4	0.7	–	15.4	2.7
Dietikon, Bahnhofplatz 11/Neumattstrasse 24	266	0.7	sole ownership	1989		1004	1793	19.4	55.8	–	–	24.3	0.5
Dietikon, Kirchstrasse 20	–	–	sold 01.01.2022										
Dübendorf, Bahnhofstrasse 1	201	–	sole ownership land lease	1988		1308	1671	5.9	71.1	–	–	23.0	–
Eyholz, Kantonsstrasse 79	144	–	sole ownership land lease	1991		2719	1319	92.3	5.6	–	–	1.5	0.6
Frauenfeld, St. Gallerstrasse 30–30c	858	–	sole ownership	1991		8842	9528	–	–	–	100.0	–	–
Frauenfeld, Zürcherstrasse 305	292	28.4	sole ownership	1982	2006	3866	4201	39.3	34.5	–	–	22.0	4.2
Frick, Hauptstrasse 132/Fricktal Centre A3	537	1.7	sole ownership	2007		13365	5011	66.0	–	3.1	–	28.3	2.6
Geneva, Centre Rhône-Fusterie	1541	–	freehold property	1990		2530	11186	76.2	0.3	–	–	23.5	–
Geneva, Place du Molard 2–4 ²	3455	0.1	sole ownership	1690	2002	1718	7263	38.2	56.5	0.5	–	4.1	0.7
			1960/										
Geneva, Route de Malagnou 6/Rue Michel-Chauvet 7	389	–	sole ownership	1969	1989	1321	1602	–	47.0	11.8	–	3.9	37.3
Geneva, Route de Meyrin 49	1326	31.5	sole ownership	1987		9890	10258	–	85.2	–	–	12.9	1.9
			1974/										
Geneva, Rue de la Croix-d'Or 7/Rue Neuve-du-Molard 4–6	1148	5.2	sole ownership	1985	1994	591	3478	37.8	24.2	0.5	–	3.8	33.7
Geneva, Rue des Alpes 5	459	4.3	sole ownership	1860		747	2698	9.9	45.2	1.1	–	0.6	43.2
Geneva, Rue du Rhône 48–50 ³	8968	1.3	sole ownership	1921	2002	5166	33414	44.4	33.4	7.2	–	12.8	2.2
Gossau SG, Wilerstrasse 82	553	–	sole ownership	2007		13064	4688	74.7	5.5	–	–	17.0	2.8
Grand-Lancy, Route des Jeunes 10/CCL La Praille	7667	1.8	sole ownership land lease	2002		20597	36010	51.6	1.0	29.0	–	16.5	1.9
Grand-Lancy, Route des Jeunes 12	1261	3.8	sole ownership land lease	2003		5344	12723	0.2	38.8	44.8	–	14.1	2.1
Heimberg, Gurnigelstrasse 38	278	–	sole ownership land lease	2000		7484	1572	82.1	2.8	–	–	8.6	6.5
La Chaux-de-Fonds, Boulevard des Eplatures 44	199	–	sole ownership	1972		3021	2504	96.1	0.6	–	–	3.0	0.3
Lachen, Seidenstrasse 2	174	–	sole ownership	1993		708	1532	–	81.5	–	–	18.5	–
Lausanne, Rue de Sébeillon 9/Sébeillon Centre	505	1.1	sole ownership	1930	2001	2923	10116	8.4	54.1	–	–	36.1	1.4
Lausanne, Rue du Pont 5	3746	3.3	sole ownership	1910	2004	3884	20805	50.5	23.3	9.2	–	15.3	1.7
Lutry, Route de l'Ancienne Ciblerie 2	681	0.3	freehold property	2006		13150	3264	69.6	7.6	1.9	–	18.1	2.8
Lucerne, Kreuzbuchstrasse 33/35	943	–	sole ownership land lease	2010		14402	10533	–	–	–	100.0	–	–
Lucerne, Langensandstrasse 23/Schönbühl	1418	0.3	sole ownership	1969	2007	20150	9433	65.2	10.8	1.9	–	21.6	0.5
Lucerne, Pilatusstrasse 4/Flora	1723	–	freehold property	1979	2008	4376	9906	69.6	12.1	–	–	15.0	3.3
Lucerne, Schwanenplatz 3	376	3.0	sole ownership	1958	2004	250	1512	10.8	62.6	–	–	18.7	7.9
Lucerne, Schweizerhofquai 6/Gotthardgebäude	1061	–	sole ownership	1889	2002	2479	7261	6.8	87.9	–	–	5.3	–
Lucerne, Weggisgasse 20, 22	275	–	sole ownership	1982		228	1285	76.8	–	–	–	23.2	–
Meilen, Seestrasse 545	255	–	sole ownership land lease	2008		1645	2458	–	–	–	100.0	–	–
Meyrin, Chemin de Riantbosson 19/Riantbosson Centre	1336	18.9	sole ownership	2018		4414	7609	33.4	38.2	9.8	–	15.6	3.0
			sole ownership partial land lease										
Meyrin, Route de Meyrin 210	124	–		1979	1999	3860	1116	65.7	4.3	–	–	28.8	1.2
			2003/										
Meyrin, Route de Pré-Bois 14/Geneva Business Terminal	729	9.4	sole ownership land lease	2018		2156	2929	6.1	87.7	–	–	6.2	–
Monthey, Rue de Venise 5–7/Avenue de la Plantaud 4	657	–	sole ownership	2021		1785	3649	–	–	–	100.0	–	–
			1795/										
Morges, Les Vergers-de-la-Gottaz 1	611	–	sole ownership	2003	1995	11537	3698	–	–	–	100.0	–	–
Münchenstein, Genuastrasse 11	742	–	sole ownership land lease	1993		7550	10109	–	21.5	–	–	72.1	6.4
Münchenstein, Helsingstrasse 12	181	–	sole ownership land lease	1998		4744	6592	–	1.4	–	–	90.6	8.0
Neuchâtel, Avenue J.-J. Rousseau 7	–	–	sold 01.01.2022										
Neuchâtel, Rue de l'Ecluse 19/parking	21	–	sole ownership	1960	1997	715	–	–	–	–	–	–	–
Neuchâtel, Rue du Temple-Neuf 11	144	3.1	sole ownership	1953	1993	262	1147	25.0	47.0	4.8	–	14.0	9.2
			1902/										
Neuchâtel, Rue du Temple-Neuf 14	1132	2.0	sole ownership	2014		1928	6908	47.6	15.7	–	–	17.8	18.9

² 1464 m² of vacant space cannot be let due to a modification project and is therefore not included in the vacancy rate³ 3598 m² of vacant space cannot be let due to a modification project and is therefore not included in the vacancy rate

Investment properties

Property details as at 30.06.2022

Overview of type of use

	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel / gastronomy	Assisted living %	Storage facilities %	Other %
Niederwangen b. Bern, Riedmoosstrasse 10	1 162	–	sole ownership	1985	2006	12 709	12 855	33.3	13.2	–	–	51.6	1.9
Oberbüren, Buchental 2	381	–	sole ownership	1980	2007	6 391	6 486	34.3	1.8	–	–	63.5	0.4
Oberbüren, Buchental 3	144	67.7	sole ownership	1964		4 651	2 336	20.8	27.1	–	–	42.1	10.0
Oberbüren, Buchental 3a	119	–	sole ownership	1964		3 613	2 464	–	–	–	–	100.0	–
Oberbüren, Buchental 4	–8		sold 01.01.2022										
Oberbüren, Buchental 5	33	31.2	sole ownership	1920		3 456	1 648	–	12.1	–	–	54.4	33.5
Oberwil BL, Mühlemattstrasse 23	158	–	freehold property land lease	1986		6 200	1 652	75.9	4.2	–	–	18.6	1.3
				2006/									
Oftingen, Spitalweidstrasse 1/shopping centre a1	2 342	0.1	sole ownership	2020	2020	42 031	23 704	78.8	–	0.5	–	19.8	0.9
Olten, Bahnhofquai 18	817	0.7	sole ownership	1996		2 553	5 134	–	93.6	–	–	6.4	–
Olten, Bahnhofquai 20	1 022	–	sole ownership	1999		1 916	7 423	–	84.8	–	–	14.4	0.8
Olten, Frohburgstrasse 1	52	42.9	sole ownership	1899	2009	379	1 199	–	78.3	–	–	21.7	–
Olten, Frohburgstrasse 15	275	1.0	sole ownership	1961	1998	596	1 863	–	78.6	–	–	21.4	–
Olten, Solothurnerstrasse 201	166	–	sole ownership	2006		5 156	1 592	62.3	–	–	–	32.3	5.4
Olten, Solothurnerstrasse 231–235/Usego	1 010	16.2	sole ownership	1907	2011	8 493	11 515	–	63.6	–	–	36.3	0.1
Opfikon, Müllackerstrasse 2, 4/Bubenholz	1 018	–	sole ownership	2015		6 169	10 802	–	–	–	100.0	–	–
Ostermundigen, Mitteldorfstrasse 16	868	–	sole ownership	2009		7 503	10 925	–	–	–	100.0	–	–
Otelfingen, Industriestrasse 19/21	3 623	13.1	sole ownership	1965	2000	101 933	78 959	–	16.0	–	–	81.6	2.4
Otelfingen, Industriestrasse 31	583	23.7	sole ownership	1986	1993	12 135	11 884	–	30.6	0.4	–	66.2	2.8
Payerne, Route de Bussy 2	610	–	sole ownership	2006		12 400	6 017	83.9	4.4	–	–	11.0	0.7
Petit-Lancy, Route de Chancy 59	3 491	31.2	sole ownership	1990		13 052	21 997	–	68.9	4.7	–	25.9	0.5
Pfäffikon SZ, Huobstrasse 5	1 403	–	sole ownership	2004		7 005	11 660	–	–	–	100.0	–	–
Plan-les-Ouates, Route de la Galaise 13A, 13B, 15A, 15B/ Espace Tourbillon ⁴	1 530	68.8	sole ownership	2021		17 768	24 484	12.6	69.7	–	–	17.7	–
				1962/									
Regensdorf, Riedthofstrasse 172–184/Iseli-Areal	791	11.5	sole ownership	2009		25 003	13 499	–	7.5	–	–	71.1	21.4
Richterswil, Gartenstrasse 7, 17/Etzelblick 4 ⁵	174	–	sole ownership	2022		6 373	8 167	–	–	–	100.0	–	–
Romanel, Chemin du Marais 8	626	21.7	sole ownership	1973	1995	7 264	6 694	87.8	–	–	–	11.4	0.8
Schwyz, Oberer Steisteg 18, 20	–		sold 01.01.2022										
Spreitenbach, Industriestrasse/Tivoli	254	–	freehold property	1974	2010	25 780	980	87.2	–	–	–	12.8	–
Spreitenbach, Müslistrasse 44	134	–	sole ownership	2002		2 856	516	–	6.9	30.3	–	11.4	51.4
Spreitenbach, Pfädackerstrasse 6/Limmatpark	2 565	9.1	sole ownership	1972	2003	10 318	28 437	62.5	27.1	–	–	7.4	3.0
St. Gallen, Spisergasse 12	18		sold 01.01.2022										
St. Gallen, Spisergasse 12	15		sold 01.01.2022										
			sole ownership parking 73/100 co-ownership										
St. Gallen, Zürcherstrasse 462–464/Shopping Arena	7 554	1.8		2008		33 106	39 016	56.7	9.8	11.4	–	19.5	2.6
Sursee, Moosgasse 20	320	–	sole ownership	1998		4 171	2 393	84.0	–	–	–	15.8	0.2
Thônex, Rue de Genève 104–108	2 230	0.7	sole ownership	2008		9 224	11 443	54.7	3.1	3.5	–	13.0	25.7
Thun, Bälliz 67	409	15.7	sole ownership	1953	2001	875	3 128	20.4	62.4	2.1	–	11.3	3.8
			sole ownership land lease										
Thun, Göttibachweg 2–2e, 4, 6, 8	1 113	–		2003		14 520	11 556	–	–	–	100.0	–	–
Uster, Poststrasse 10	189	0.9	sole ownership	1972	2012	701	1 431	–	78.4	–	–	21.6	–
Uster, Poststrasse 12	98	–	sole ownership	1890		478	673	35.7	6.7	–	–	–	57.6
Uster, Poststrasse 14/20	324	0.7	sole ownership	1854	2000	2 449	3 191	63.4	12.5	3.8	–	19.5	0.8
Vernier, Chemin de l'Etang 72/Patio Plaza	2 112	22.4	sole ownership	2007		10 170	13 619	–	81.9	–	–	17.2	0.9
Vevey, Rue de la Clergère 1	368	3.5	sole ownership	1927	1994	717	3 055	–	88.8	–	–	11.2	–
Wabern, Nesslerenweg 30	506	–	sole ownership	1990		4 397	6 288	–	–	–	100.0	–	–
Wil, Obere Bahnhofstrasse 40	436	–	sole ownership	1958	2008	1 105	2 877	80.4	8.6	–	–	10.5	0.5
				1999/									
				2000/									
Winterthur, Theaterstrasse 15a-c, 17	4 313	7.6	sole ownership	2004		15 069	37 233	–	71.3	0.5	–	22.0	6.2
Winterthur, Untertor 24	226	–	sole ownership	1960	2006	290	1 364	–	69.9	–	–	30.1	–

⁴ Reclassified from properties under construction and development sites to existing properties after the new construction. Up to the end of 2021, reported as one project together with Route de la Galaise 11A, 11B in Plan-les-Ouates.

⁵ Reclassified from properties under construction and development sites to existing properties after the new construction

Investment properties

Property details as at 30.06.2022

Overview of type of use

	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel / gastronomy	Assisted living %	Storage facilities %	Other %
Worblaufen, Alte Tiefenaustrasse 6	3 756	–	sole ownership	1999		21 804	37 170	–	87.4	–	–	12.6	–
Zollikofen, Industriestrasse 21	798	–	sole ownership	2003	2016	2 906	7 263	–	73.6	3.1	–	23.3	–
Zollikon, Bergstrasse 17, 19	296	3.5	sole ownership	1989	2004	1 768	2 126	–	70.2	–	–	29.8	–
				1984/									
Zollikon, Forchstrasse 452–456	316	–	sole ownership	1998		2 626	2 251	–	68.4	–	–	31.6	–
Zuchwil, Dorfackerstrasse 45/Birchi Centre	1 109	18.6	sole ownership land lease	1997		9 563	13 238	62.9	1.6	14.6	–	11.8	9.1
Zug, Zählerweg 4, 6/Dammstrasse 19/ Landis + Gyr-Strasse 3/Opus 1	2 933	0.3	sole ownership	2002		7 400	16 035	–	90.5	–	–	9.5	–
Zug, Zählerweg 8, 10/Dammstrasse 21, 23/Opus 2	3 794	1.0	sole ownership	2003		8 981	20 108	–	91.2	–	–	8.8	–
Zurich, Affolternstrasse 52/MFO building	30	–	sole ownership	1889	2012	1 367	2 776	–	53.1	25.8	–	21.1	–
Zurich, Affolternstrasse 54, 56/Cityport	4 663	–	sole ownership	2001		9 830	23 529	–	92.0	–	–	7.7	0.3
				1942–									
Zurich, Albisriederstrasse 203, 207, 243	1 113	15.7	sole ownership	2003		13 978	11 615	–	59.7	22.7	–	17.0	0.6
Zurich, Albisriederstrasse/Rütiviesweg/YOND	2 717	0.7	sole ownership	2019		9 021	19 553	4.2	95.5	–	–	0.1	0.2
Zurich, Bahnhofstrasse 42	1 216	–	sole ownership	1968	1990	482	2 003	42.7	44.6	–	–	12.7	–
Zurich, Bahnhofstrasse 69	801	–	sole ownership	1898	2007	230	1 124	10.8	77.9	–	–	11.0	0.3
Zurich, Bahnhofstrasse 106	802	2.8	sole ownership	1958		200	1 208	11.7	53.3	–	–	35.0	–
				1966–	2013–								
Zurich, Beethovenstrasse 33, Dreikönigstrasse 24	1 964	–	sole ownership	1968	2016	1 347	5 811	–	85.6	2.1	–	11.4	0.9
					2015–								
Zurich, Brandschenkestrasse 25	2 312	–	sole ownership	1910	2017	3 902	17 164	–	–	70.6	–	29.4	–
Zurich, Carl-Spitteler-Strasse 68/70	2 033	–	sole ownership	1993		11 732	19 343	–	–	–	100.0	–	–
Zurich, Etzelstrasse 14	603	–	sole ownership	2017		1 809	2 135	–	–	–	100.0	–	–
					2013–								
Zurich, Flurstrasse 55/Medienpark	3 108	5.1	sole ownership	1979	2015	8 270	24 161	1.7	70.5	4.1	–	23.7	–
Zurich, Flurstrasse 89	235	–	sole ownership	1949	2003	2 330	3 331	–	12.0	–	–	88.0	–
Zurich, Fraumünsterstrasse 16	2 566	0.3	sole ownership	1901	2017	2 475	8 588	15.4	73.9	–	–	10.7	–
Zurich, Giesshübelstrasse 15	671	0.2	sole ownership	1956	1999	1 713	2 854	–	88.2	–	–	11.8	–
Zurich, Hagenholzstrasse 60/SkyKey	5 557	–	sole ownership	2014		9 573	41 251	–	86.0	9.8	–	4.2	–
Zurich, Hardstrasse 201/Prime Tower	10 313	4.0	sole ownership	2011		10 451	48 097	0.7	87.4	5.5	–	6.3	0.1
				1929–									
Zurich, Hardstrasse 219/Eventblock Maag	567	1.1	sole ownership	1978		9 507	7 183	–	21.7	–	–	76.2	2.1
				1962/									
Zurich, Josefstrasse 53, 59	1 909	1.9	sole ownership	1972	2001	2 931	12 122	5.6	78.2	1.4	–	14.3	0.5
Zurich, Juchstrasse 3/West-Log	1 580	18.1	sole ownership	2021		7 733	17 328	1.3	43.2	–	–	54.7	0.8
				1900/									
Zurich, Jupiterstrasse 15/Böcklinstrasse 19	467	–	sole ownership	1995	1996	1 630	1 829	–	–	–	100.0	–	–
Zurich, Kappenbühlweg 9, 11/Holbrigstrasse 10/ Regensdorferstrasse 18a	1 498	–	sole ownership	1991		9 557	14 790	–	–	–	100.0	–	–
Zurich, Maagplatz 1/Platform	3 485	–	sole ownership	2011		5 907	20 310	2.1	91.1	0.5	–	6.3	–
Zurich, Manessestrasse 85	1 352	6.4	sole ownership	1985	2012	3 284	8 270	–	71.2	–	–	25.8	3.0
Zurich, Nansenstrasse 5/7	1 164	0.1	sole ownership	1985		1 740	5 864	39.1	27.0	–	–	6.2	27.7
Zurich, Ohmstrasse 11, 11a	1 074	0.1	sole ownership	1927	2007	1 970	6 031	54.7	23.4	2.2	–	15.8	3.9
Zurich, Querstrasse 6	91	0.5	sole ownership	1927	1990	280	563	7.6	5.7	–	–	–	86.7
Zurich, Restelbergstrasse 108	177	–	sole ownership	1936	1997	1 469	672	–	–	–	100.0	–	–
Zurich, Seidengasse 1/Jelmoli	13 650	–	sole ownership	1898	2010	6 514	36 770	64.6	3.7	13.3	–	12.8	5.6
Zurich, Siewerdstrasse 8	571	–	sole ownership	1981		1 114	3 687	–	91.1	–	–	8.9	–
Zurich, Sihlstrasse 24/St. Annagasse 16	818	–	sole ownership	1885	2007	1 155	2 837	3.9	71.1	15.3	–	6.1	3.6
Zurich, Steinmühleplatz 1/St. Annagasse 18/Sihlstrasse 20	1 880	0.1	sole ownership	1957	1999	1 534	6 277	10.9	67.7	2.2	–	18.0	1.2
			sole ownership with concession										
Zurich, Steinmühleplatz/Jelmoli parking	1 370	–		1972	2009	1 970	84	100.0	–	–	–	–	–
Zurich, Talacker 21, 23	1 517	1.3	sole ownership	1965	2008	1 720	4 904	9.6	64.2	–	–	26.2	–
				1942/									
				1972/									
Zurich, Vulkanstrasse 126	125	–	sole ownership	1979		4 298	2 273	–	17.1	–	–	82.9	–
Total properties	227 268	4.3				1 138 658	16 289 904	17.4	42.0	6.9	8.4	22.3	3.0

Building land

Property details as at 30.06.2022

Overview of type of use

	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel / gastronomy	Assisted living %	Storage facilities %	Other %
Augst, Rheinstrasse 54	53	—	sole ownership	na		10958	1	—	—	—	—	—	100.0
Dietikon, Bodacher	11	—	sole ownership			13293	1375	—	—	—	—	—	100.0
Dietikon, Bodacher/Im Maienweg	—	—	sole ownership			4249	4240	—	—	—	—	—	100.0
Dietikon, Bodacher/Ziegelägerten	5	—	sole ownership			3740	4324	—	—	—	—	—	100.0
Meyrin, Route de Pré-Bois	17	—	sole ownership			10183	372	—	79.0	—	—	—	21.0
Niederwangen b. Bern, Riedmoosstrasse 10	—	—	sole ownership			5895	—	—	—	—	—	—	—
Oberbüren, Buchental/parking	15	—	sole ownership			1825	—	—	—	—	—	—	—
Spreitenbach, Joosacker 7	19	—	sole ownership			16256	7759	—	—	—	—	—	100.0
Wangen b. Olten, Rickenbacherfeld	—	—	sole ownership			11197	—	—	—	—	—	—	—
Zurich, Oleanderstrasse 1	6	—	sole ownership bought 11.05.2022			1354	—	—	—	—	—	—	—
Total building land	126	—				78950	18071	—	1.6	—	—	—	98.4

Properties under construction and development sites

Property details as at 30.06.2022

Overview of type of use

	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel / gastronomy	Assisted living %	Storage facilities %	Other %
Basel, Hochbergerstrasse 60/Stücki Park	1860	—	sole ownership			10222	10545	—	51.1	0.2	—	13.5	35.2
Basel, Steinenvorstadt 5	195	—	sole ownership bought 15.05.2022	1980		511	4246	62.5	10.0	—	—	26.5	1.0
Lancy, Esplanade de Pont-Rouge 5, 7, 9/Alto Pont-Rouge	—	—	sole ownership with 14/100 co-ownership			5170	—	—	—	—	—	—	—
Olten, Usego-Areal Baufeld B ⁶	—	—	sole ownership			4429	—	—	—	—	—	—	—
Paradiso, Riva Paradiso 3, 20/Du Lac ⁶	—	—	sole ownership partial land lease			3086	—	—	—	—	—	—	—
Plan-les-Ouates, Route de la Galaise 11A, 11B/Espace Tourbillon building A ⁷	—	—	375/1000 co-ownership			—	—	—	—	—	—	—	—
				1992/									
Schlieren, Zürcherstrasse 39/JED	3089	—	sole ownership	2003		18787	19924	—	77.1	10.3	—	9.1	3.5
Schlieren, Zürcherstrasse 39/JED Neubau	—	—	sole ownership			7897	—	—	—	—	—	—	—
Zurich, Müllerstrasse 16, 20	21	—	sole ownership	1980		3864	—	—	—	—	—	—	—
Total properties under construction and development sites	5165	—				53966	34715	7.7	60.9	6.0	—	12.5	12.9
Overall total	232559					1271574	1681690	17.0	42.0	6.8	8.1	21.8	4.3

⁶ Trading properties⁷ Sale of 2/1000 of building A in 2022, remaining 375/1000 of building A are trading properties

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Swiss Prime Site's property portfolio will be climate-neutral by 2040. That's a promise.

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