SWISS PRIME SITE

SHORT REPORT FIRST HALF-YEAR

REPORT 2023


OUTDOOR

Selected group key figures

Continuing operations	in	01.01.–30.06.2022 or 30.06.2022	01.01.–31.12.2022 or 31.12.2022	01.01.–30.06.2023 or 30.06.2023
Rental income from properties	CHF m	214.9	432.8	218.9
EPRA like-for-like change relative	%	2.1	2.0	3.4
Income from real estate developments	CHF m	8.4	9.1	–
Income from asset management	CHF m	27.2	52.0	22.2
Income from retail	CHF m	57.4	132.1	59.7
Total operating income	CHF m	310.6	646.6	307.6
Revaluation of investment properties, net	CHF m	166.6	169.7	–98.8
Result from investment property sales, net	CHF m	14.7	50.9	9.8
Operating result before depreciation and amortisation (EBITDA)	CHF m	365.4	591.3	99.0
Operating result (EBIT)	CHF m	358.6	549.7	95.7
Profit	CHF m	262.1	397.1	65.9
Return on equity (ROE)	%	8.1	6.1	2.0
Return on invested capital (ROIC)	%	4.2	3.2	1.4
Earnings per share (EPS)	CHF	3.42	5.18	0.86
Continuing and discontinued operations excluding revaluations effects				
Operating result before depreciation and amortisation (EBITDA)	CHF m	210.8	448.6	351.6
Operating result (EBIT)	CHF m	198.8	389.6	345.1
Profit	CHF m	158.0	300.6	298.9
Return on equity (ROE)	%	5.0	4.7	9.0
Return on invested capital (ROIC)	%	2.6	2.6	4.8
Earnings per share (EPS)	CHF	2.06	3.92	3.90
Funds from operations per share (FFO I)	CHF	2.09	4.26	2.01
Key balance sheet figures				
Shareholders´ equity	CHF m	6 427.2	6 569.3	6 530.3
Equity ratio	%	46.6	47.7	47.4
Liabilities	CHF m	7 357.9	7 201.9	7 240.5
Loan-to-value ratio of property portfolio (LTV)[1]	%	40.2	38.8	39.7
NAV before deferred taxes per share[2]	CHF	100.95	102.96	102.32
NAV after deferred taxes per share[2]	CHF	83.80	85.64	85.12
EPRA NTA per share	CHF	100.78	102.69	101.40
Real estate portfolio				
Fair value of real estate portfolio	CHF m	13 066.4	13 087.7	13 064.5
of which projects/development properties	CHF m	997.7	1 117.3	1 093.9
Number of properties	number	179	176	168
Rental floor space	m²	1 681 690	1 653 456	1 685 947
Vacancy rate	%	4.4	4.3	4.1
Average discount rate	%	2.71	2.69	2.73
Net property yield	%	3.1	3.1	3.1
Employees				
Number of employees as at balance sheet date	persons	1 722	1 779	700
Full-time equivalents as at balance sheet date	FTE	1 529	1 567	609

[1] Receivables secured by bank guarantees were deducted from financial liabilities in the first half of 2023
[2] Asset Management, Retail and Corporate & Shared Services segments are included at book values and not at fair values

The dawn of a new era

We can look back on an eventful and in many ways extraordinary first half of 2023. With the repositioning of the Jelmoli building and the sale of Wincasa, we completed our strategic realignment to focus on our core business of real estate investing. This has significantly streamlined our business model and increased efficiency in what remains a challenging environment for real estate companies. As the industry prepares for higher capital costs and lower valuations, it is all the more important that we create value and contribute to society in areas where we are market leaders, i.e. real estate management and development – both for our own portfolio and for third parties.

In view of the challenging environment, we are very happy with our results in the first half of the year and we are looking to the rest of the year with confidence. In fact, rental income rose to CHF 219 million (+3.4% on a comparable basis) despite numerous sales under the capital recycling programme, and our assets under management increased by around CHF 500 million (+6.5%) to CHF 8.2 billion despite the challenging environment. Net profit excluding revaluations came in at CHF 299 million, or CHF 3.90 per share (+89%), with gains of around CHF 146 million from the sale of Wincasa making a considerable contribution. The high quality of our properties, the steady demand for attractive spaces, and the success of our sales activities all confirm the value of our portfolio. With two strong pillars – our own properties and asset management – we are very solidly positioned and on course for further growth.

Strategic realignment

We started our strategic realignment as a focused real estate company around three years ago with the sale of Tertianum and have been pursuing it consistently and purposefully since then. After significantly expanding our asset management platform with the acquisition of the asset manager Akara, we shifted our strategic focus towards the two operational companies Jelmoli and Wincasa. For both companies, the known steps were preceded by a broad and thorough market review.

With retail floor space of 24000 m², the Jelmoli department store was ultimately too big to sustain as a retail operation in Zurich city centre and there were no suitable buyers interested in taking over the business. We will now transform the property into a unique destination in the city. Catering to various uses, including office, retail and entertainment, it will be a lively hub throughout the day and week. Once the conversion is complete, the Jelmoli site will stand as an open urban venue that exudes charm and appeal. Preliminary discussions with the building authorities have already taken place, and we are planning to start the modification work in 2025. With the employees in mind, we consciously announced the strategic decision well in advance and have worked with them to develop a redundancy plan, which we managed to sign before the start of the summer holidays.

In April, we sold Wincasa, the separately held property management company, to Implenia at a substantial profit. With these two steps, we have focused our company's activities on the core competencies. Going forward, we will concentrate on the optimum management of our first-class property portfolio and on prominent development projects. We will also leverage our asset management expertise to create value for third parties. We are industry leaders in Switzerland in both of these domains.

«With our two strong pillars – real estate and asset management – we are very solidly positioned and are fit for future growth.»

Defensive profile

In recent months, a sense of caution has prevailed in the real estate market overall. Higher interest rates in particular have dampened activity in the transaction market and inhibited new investments. But it is precisely in an environment like this that our portfolio stands out as a highly resilient investment, with its prime locations, top-quality properties and strong tenants. This is also evident in the wide range of uses within our portfolio. The office segment remains our primary focus. However, we are also creating additional market potential and resilience on the revenue side with substantial spaces and strong tenants in the retail, city logistics/life science, hospitality/gastronomy and senior living segments. We are financing the portfolio conservatively with a high equity ratio, while we have reduced the leverage ratio considerably in recent years (currently below 40%) and used a broad range of financing instruments to give us extra flexibility. Our business with third-party funds which we manage under investment mandates with our clients is both attractive and defensive, and consumes very little capital. This allows us to apply our expertise more broadly and boost the return on equity thanks to its high profitability.

Strong rental market

In the first six months of 2023, we had considerable success with annual contract extensions and re-lets in the portfolio of existing properties, as well as with first-time lettings in the development pipeline. We managed to reduce the vacancy rate even further, bringing it down to 4.1%. In our marketing activities, we have found that demand in the rental market far outstrips supply. This is particularly true for prime locations and high-quality commercial spaces – tenants are optimising their locations to increase productivity and also offer their employees an attractive workplace. Our portfolio is very well positioned for this.

«The office segment remains our primary focus.»

A portfolio with enduring value

Higher interest rates in the first half of the year affected the appraisal value of our portfolio (CHF 13.1 billion as at the reporting date). The value has remained relatively stable, with only marginal devaluations of around CHF 99 million (–0.7%). The negative effects of higher discount rates were largely offset by higher rents and new developments. Here too, our prime locations, the high fit-out standard of our properties and sites, and our demand-oriented property strategy are paying off. Through our developments, we are further modernising and expanding our portfolio to add value, financed through sales under our capital recycling strategy. Since the start of the year, we have sold ten properties worth a total of CHF 148 million, with some of these transactions only completed after the balance sheet date. The sales mostly involved properties used for retail and senior living. In all cases, the locations of these properties meant they were no longer an optimum fit for our focused portfolio. Overall, the average selling price was around 10% higher than the last appraisal value. These transaction figures in particular reflect the resilience of our portfolio.

Significant progress in the development business

As a leading Swiss real estate company, we are particularly proud of the progress we have made with our development projects. We will be handing over two major projects to new tenants this year: in Zurich, the circular economy-based building on Müllerstrasse to Google, and in Geneva, the large new build Alto Pont-Rouge to the major French bank BNP Paribas and other tenants. In addition, the developments in Basel (Stücki Park), Schlieren (JED Neubau) and Lugano/Olten (both Tertianum senior living) will be completed as planned in the next 18 months. We are expecting this to generate additional rental income of at least CHF 50 million, which will more than offset the lost revenue from property sales from next year onwards. We see our development business as a growth and value driver, since the return on investment in this area is well above our portfolio return.

Thank you

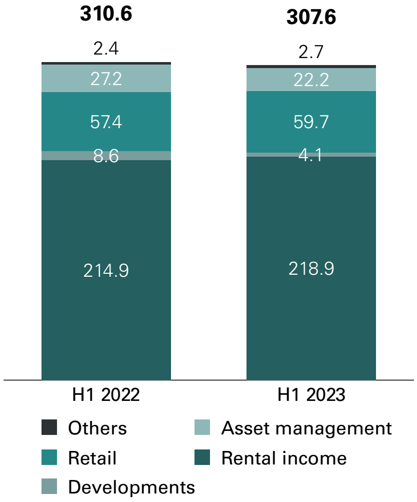
On behalf of our colleagues on the Board of Directors and the Executive Management, we would like to extend our heartfelt thanks to our clients for their loyalty and their confidence in our products – especially in times like these, when the end of the low interest rate era has made the markets more challenging for everyone. Every single tenant, client and investor matters to us, and we try to show our appreciation every day. We would also like to thank our employees for their extraordinary day-to-day commitment and their unwavering dedication to achieving the best outcomes for both our company and our clients – all this at a time when we are repositioning ourselves. Last but not least, we would like to thank you, our esteemed shareholders, for the trust you continue to place in us and for your support in the development of our company.

Ton Büchner Chairman of the Board of Directors	René Zahnd CEO

Strong operating results in a challenging environment

Swiss Prime Site closed the first half of 2023 with strong operating results. Rental income was up by 3.4% on a comparable basis over the same period last year. This was due to a very strong rental market, considerable success with lettings, and indexation in existing rental contracts. Assets under management increased by around 6.5% to CHF 8.2 billion in a very challenging market environment. Along with strict cost discipline, funds from operations (FFO I) remained almost constant at CHF 2.01 per share despite a significant increase in interest expense. Based on current market visibility, Swiss Prime Site is on course to meet its targets for the 2023 financial year.

Operating income
in CHF million



Following the sale of Wincasa, we have adjusted the financial reporting at the half-year point in accordance with IFRS 5 by reporting Wincasa separately as a discontinued operation and have adjusted the previous years accordingly. This allows for optimal comparability. To improve clarity around the performance of the two core business areas of real estate and asset management, we have also enhanced the segment reporting and are now disclosing these two areas separately for the first half of 2023. For the next two years until the closure of the Jelmoli department store, we will also report a third segment, «Retail», to enable full transparency here as well.

Rental income up, vacancies at a record low

Swiss Prime Site demonstrated strong operating performance in the first half of 2023. Operating income across the continued business areas reached CHF 307.6 million. In our core business of real estate, we were able to let or relet over 40000m². We acquired some strong rental partners in this segment, including the University of Zurich, the insurance company Zurich and the expanding workplace company Flexoffice. This pushed our vacancy rate down to a record low of 4.1% [4.3% end of 2022]. In our marketing activities, we are seeing sustained high demand for centrally located spaces fitted out to a high standard. The high indexation rate of around 90% for our rental spaces also had a positive effect on rental income, which rose to CHF 218.9 million as a whole (+1.9% or +3.4% growth on a comparable basis). Overall, successful letting activities, rent indexation and the completion of development projects meant we managed to more than compensate for lost rental income from sales under the capital recycling strategy, as planned. The weighted average unexpired lease term (WAULT) for our properties was stable at a comfortable 5.2 years [5.3 years end of 2022].

Minor revaluations due to higher discount rates

The much higher interest rates compared to 2022 had a significant impact on the assumed discount rates in the models of our external valuation expert Wüest Partner. The average nominal discount rate increased by around 21 bps to 3.93% as at 30 June [3.72% end of 2022]. Thanks to an increase in new rentals, comprehensive rent indexation and strict cost discipline, we managed to significantly cushion the negative valuation effects caused by the discount rate. Overall, the revaluation effect for our portfolio amounted to CHF –98.8 million [CHF +166.6 million H1 2022]. This represents a relative reduction of –0.7% in fair value compared to the end of 2022. On the balance sheet date, the total value of our property portfolio stood at CHF 13.1 billion. The figure after investments has therefore remained stable compared to the end of last year. This development confirms our conviction at the beginning of the year that potential negative valuation effects could be largely offset through successful rental activities, rent indexation and our real estate developments.

Robust transaction market

Contrary to the lower estimated fair value in our portfolio of existing properties, we were able to achieve significant gains on property sales of around 10% above fair value at the end of 2022 – this more or less corresponds to the sales performance in previous years. Since the beginning of the year, we have sold ten properties with a total transaction volume of CHF 148 million; two of these sales occurred after the balance sheet date. Under our capital recycling strategy, the profit from these transactions is being reinvested in current development projects.

The sales included a senior citizens' residence in Berlingen and eight retail and mixed-use properties outside the metropolitan regions of Zurich, Geneva and Basel. In addition, a development plot with building authorisation for a residential project was sold in Wangen bei Olten. In recent sales processes, we have noticed renewed interest from larger institutional buyers such as insurers and real estate companies, who are making competitive bids. We are taking this as an initial sign that confidence in the real estate market overall is rising, buoyed by falling inflation in Switzerland and abroad and a stabilising interest rate environment.

Less growth in asset management but greater market share

In the area of asset management, where we operate under the strong brand «Swiss Prime Site Solutions», the market environment proved to be very challenging in the first half of the year due to subdued investor appetite, especially among pension funds. Despite attractive acquisition opportunities, we were unable to carry out all capital increases in the planned amounts. We believe the main obstacle is the relatively high investment concentration of pension fund investors in real estate due to the negative performance of alternatives such as equities and bonds over the past year, coupled with uncertainties about the performance of potential portfolio acquisitions. The positive performance of alternative markets in recent months, a continuous inflow of money from pension funds and insurance companies, and greater clarity around expected interest rate developments all give us confidence that investor appetite will improve and our strong market position will enable us to benefit from this. But from an overall market perspective, our performance in asset management demonstrates the stability of our business. In fact, our assets under management (AUM) increased by around 6.5% to CHF 8.2 billion [CHF 7.7 billion end of 2022] in the first half of the year – this was largely due to real estate contributions in kind from partners wanting to benefit from our extensive real estate expertise. This has enabled us to grow faster than the market and further enhance our position as an independent real estate asset manager. Due to the low funding volume, income from asset management fell to CHF 22.2 million [CHF 27.2 million H1 2022] and EBIT reached CHF 11.3 million [CHF 17.1 million]. This resulted in a lower EBIT margin of 51.1% [63.1%]. However, due to the low capital intensity, we were still able to achieve an attractive return on equity of 23.3% [36.7%] – this with an increased ratio of recurring fees (78% vs. 53% 2022). Again, this illustrates the resilience of our asset management business. Based on the aforementioned market developments, we are confident of achieving a good result in this challenging environment.

Strict cost control continues

Through very tight cost control, real estate costs decreased slightly despite the inflationary environment and higher rental income. We are expecting a further decrease in the second half of the year. We are now starting to see the effects of streamlining the group structure, with other operating expenses down by around 15%. In contrast, personnel costs increased marginally due to the internalisation of resources – especially in the area of development, where we are now handling some of the tasks internally after the sale of Wincasa. Offset against the higher own services capitalised, this has resulted in a slight decrease of around 2%.

After streamlining the corporate structure, we also implemented measures in June to sustainably reduce operating costs. These mainly relate to the corporate group and comprise personnel costs, consultancy expenditure (including IT) and other operating expenses. We expect the savings to amount to around 10% of operating costs (excluding Jelmoli), which equates to around CHF 7.5 million per year. We should start to see the effects in 2024.

Favourable financing market but higher costs

We made use of our existing sources of funding in the first half of the year. In June, we were in the market to place a convertible bond of CHF 275 million at an attractive 1.625%, mainly to refinance an expiring convertible bond. The placement was carried out on the Swiss and international capital markets and was significantly oversubscribed, indicating strong demand for real estate bonds.

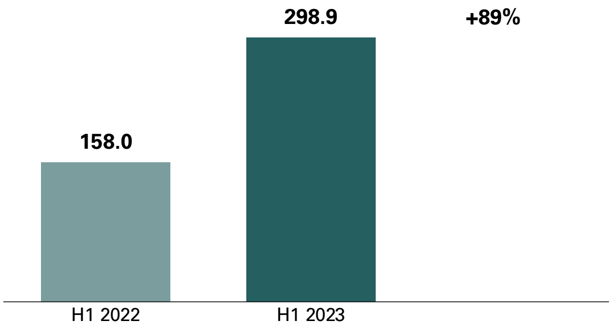
In addition, we repeatedly refinanced on the money market at very attractive terms – we have recently been taking advantage of our A3 Moody's rating to tap into this market as an additional source of funding and further diversify our capital base.

However, refinancing was subject to higher base rates due to interest rate hikes by the Swiss National Bank, which caused net financial expenses to increase to CHF 28.1 million in the first half of 2023 [CHF 21.4 million H1 2022]. Average interest cost is currently 1.2% (+30 bps compared to the end of 2022).

Profit up after sale of Wincasa

Profit excluding revaluations increased to CHF 298.9 million [CHF 158.0 million H1 2022], significantly boosted by the CHF 145.9 million gain from the sale of Wincasa. Excluding this one-off effect and adjusted for other Wincasa earnings, profit excluding revaluations amounted to CHF 149.2 million [CHF 152.6 million; –2.2%]. The slight decrease, driven mainly by higher financing costs and lower earnings in the area of asset management, was cushioned by higher profits in the rental business.

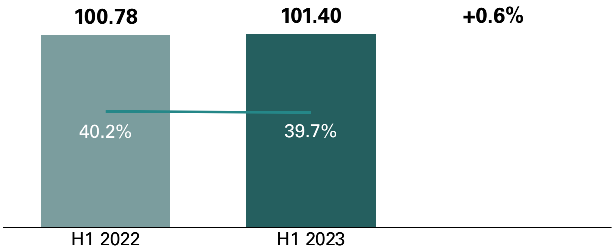
Profit (excl. revaluations)
in CHF million



Stable FFO I and slightly higher LTV due to seasonal effects

The FFO I (funds from operations before disposal gains) underlying our dividend strategy remained largely stable at CHF 2.01 per share [CHF 2.09 H1 2022]. Due to the dividend paid out in the first half of the year, the loan-to-value ratio for the property portfolio increased slightly to 39.7% compared to the end of 2022 [38.8% end of 2022]. However, there was a further reduction of around 0.5 percentage points compared to the first half of 2022 [40.2% end of H1 2022]. The average residual term to maturity of interest-bearing financial liabilities remained stable, coming in at 4.8 years on the balance sheet date [5.0 years end of 2022]. At CHF 101.40, the net asset value (EPRA NTA) per share was slightly higher than in the previous year (+0.6% compared to H1 2022). However, it was down by around 1.3% compared to the end of 2022 due to the higher dividend of CHF 3.40 in the first half of the year [CHF 3.35]. The Swiss Prime Site share reaced a closing price of CHF 77.65 on 30 June 2023 and a total return of +1.1% for the first half of the year (REAL: +0.2%, SPI: +8.2%, EPRA: –10.2%).

EPRA NTA per share and LTV
in CHF resp. %



On course to meet targets for the 2023 financial year

In the first half of the year, we demonstrated the resilience of our business and achieved a strong operating result despite various challenges. We expect our streamlining measures to make us even more agile and efficient. Based on the current market conditions, we have a positive outlook for the second half of the year. We are anticipating a further rise in rental income, which, despite higher financing costs, should contribute to a largely stable FFO I and thus a stable dividend basis.

Biodiversity in the property portfolio

The development and implementation of a promising sustainability strategy stands and falls by the identification of the topics critical to a particular business. For Swiss Prime Site, these are the reduction of CO_2 emissions and closed loops in the construction and operation of buildings. The aspect of biodiversity is likewise growing in importance, and is increasingly being prioritised at the political and economic levels. Our contribution to that goal should be viewed in the context of a comprehensive sustainability strategy and extends far beyond individual measures.

Existential significance for us all

Biodiversity refers to the diversity of various ecosystems, the highest possible number of different species and strong genetic abundance. It is not just a basic need of humans, animals and nature. According to the Swiss Federal Office of Agriculture, biodiversity has existential significance for our collective survival. According to the Federal Office for the Environment (FOEN), biodiversity in Switzerland has suffered heavy losses over the past 200 years and is under extreme threat. At the political level, some steps have been taken of late to better address this situation and to strategically promote species diversity across the various ecosystems. In 2020, a national people's initiative was launched to advance that goal. In 2023, Parliament will debate an indirect counter-proposal on the issue and demand that the Federal Council take stronger measures to protect diversity and the environment. So the creation of awareness in Swiss society is gaining momentum.

Promotion of biodiversity

A great deal of action still needs to be taken by Swiss industry in relation to biodiversity and measures to combat climate change. The management of Swiss Prime Site is conscious of the responsibility that the real estate and construction sector bears in this respect, and it intends to improve biodiversity in its building stock faster and more effectively. Swiss Prime Site owns around 170 investment properties in the most densely populated centres of Switzerland. It is our aspiration to continuously increase the quality of this portfolio and the sites and properties it contains. The systematic sustainability certification of the properties creates the transparency required for the various areas of potential. This includes gaining additional green space and increasing ecological diversity on the grounds of all our properties. The corresponding signals and requests from tenants on this issue are pointing in the same direction. They expect nothing less than compliance with increasingly higher standards of sustainability in the buildings in which they rent and use their offices or commercial spaces. Hence, when it comes to demand and willingness to pay, the logic is simple: the higher quality the fit-out standard, the more sustainable the energy supply, the greater the feel-good factor and the higher the certification level of a building, the better the long-term rentability of the spaces. Improved biodiversity around buildings should not be underestimated as a criterion for successful letting. We are also addressing this issue, along with other important topics such as the circular economy, in our development projects or renovation plans. It is our goal to promote biodiversity both individually and as part of a holistic sustainability policy.

Swiss Prime Site fulfills its responsibilities towards employees, clients, the environment and society. Our vision is to generate value and create sustainable living spaces. Sustainability is part of our value creation model and has been an integral component of our strategy for some time. In this way, we are increasing our resilience and are convinced that we are creating long-term added value for our stakeholders and society.

MORE ABOUT SUSTAINABILITY AT SWISS PRIME SITE

Wincasa sold to Implenia

Swiss Prime Site has sold the group company Wincasa to Implenia for an enterprise value of CHF 235 million. The transaction was completed in the second quarter of 2023 and was recognised retroactively as at 1 January 2023. The sale of Wincasa and the discontinuation of Jelmoli's operations from the end of 2024 will significantly streamline Swiss Prime Site's business model.

MORE ABOUT THE SALE

HDI – a perfect match!

HDI moved into its new Swiss headquarters inside the Prime Tower around six months ago. The flexible offices feature an open layout and various zones for group meetings and informal encounters. This gives the industrial insurance company's 90 employees space to work together efficiently and dynamically in a prime location in the heart of Zurich.

MORE ABOUT HDI

Reto Conrad appointed to the Board of Directors

At this year's Annual General Meeting in Zug, the shareholders appointed Reto Conrad to the Board of Directors. He will become a member of the Audit and Investment Committee. The Board of Directors is now composed of Ton Büchner, Thomas Studhalter, Barbara A. Knoflach, Gabrielle Nater-Bass, Brigitte Walter, Christopher M. Chambers and Reto Conrad.

MORE ABOUT THE ANNUAL GENERAL MEETING

Ranking: Construction & real estate reputation study 2023

Swiss Prime Site has the second-best reputation out of all Swiss real estate companies. This comes from the latest benchmark study by the Swiss Reputation Group, which analysed impressions of the company in Swiss media, social media and other online sources. Thank you for the excellent rating and your trust in us. We look forward to your future support, and remember: We create living spaces!

MORE ABOUT THE STUDY

JED new build with Zirkulit

The JED new build in Schlieren is being constructed with Zirkulit® concrete. Swiss Prime Site is the first building contractor in Switzerland to use the sustainable Swiss cement. With this innovative building material we have saved 10 000 tonnes of primary resources and absorbed 83 tonnes of CO_2 in total. Using Zirkulit® supports the transition to the circular economy and underlines our commitment to environmental protection and sustainability. JED will serve as a centre for innovation and knowledge transfer and will also offer attractive workspaces.

MORE ABOUT JED

Modernisation and repositioning of the Jelmoli building

The Jelmoli building on Zurich's Bahnhofstrasse will be converted and sustainably developed starting in 2025. In this context, the plan is to adapt the retail floorspace to the current market demand and reposition the building. Jelmoli will remain anchored in Zurich as a destination with a diverse mix of uses, including retail, food, gastronomy, office and fitness. The re-opening of the renovated property is planned for early 2027.

MORE ON THE MODERNISATION

Consolidated financial statements

Consolidated income statement

in CHF 1 000	01.01.–30.06.2022[1]	01.01.–30.06.2023
Rental income from properties	214 920	218 900
Income from sale of trading properties	203	4 123
Income from real estate developments	8 435	–
Income from asset management	27 162	22 191
Income from retail	57 392	59 738
Other operating income	2 444	2 682
Operating income	**310 556**	**307 634**
Revaluation of investment properties, net	**166 585**	**–98 816**
Result from investments in associates	**500**	**423**
Result from investment property sales, net	**14 654**	**9 815**
Real estate costs	–33 411	–33 260
Cost of trading properties sold	–103	–3 797
Cost of real estate developments	–7 661	–
Cost of goods sold	–30 038	–30 589
Personnel costs	–40 981	–41 455
Other operating expenses	–15 974	–13 585
Depreciation, amortisation and impairment	–6 811	–3 268
Capitalised own services	1 273	2 600
Operating expenses	**–133 706**	**–123 354**
Operating result (EBIT)	**358 589**	**95 702**
Financial expenses	–21 607	–28 584
Financial income	190	445
Profit before income taxes	**337 172**	**67 563**
Income taxes	–75 090	–1 677
Profit from continuing operations	**262 082**	**65 886**
Profit after tax from discontinued operations	5 325	149 584
Profit attributable to shareholders of Swiss Prime Site AG	**267 407**	**215 470**
Earnings per share (EPS) from continuing operations, in CHF	3.42	0.86
Diluted earnings per share from continuing operations, in CHF	3.21	0.82
Earnings per share (EPS), in CHF	**3.49**	**2.81**
Diluted earnings per share, in CHF	**3.28**	**2.64**

[1] The comparative figures have been split into continuing and discontinued operations and restated in accordance with the requirements of IFRS 5

Consolidated balance sheet

in CHF 1 000	31.12.2022	30.06.2023
Assets		
Cash	21 201	30 506
Securities	1 130	1 268
Accounts receivable	42 659	34 921
Other current receivables	2 638	74 964
Current income tax assets	3 731	3 732
Inventories	28 004	31 469
Trading properties	73 959	81 512
Accrued income and prepaid expenses	39 816	19 671
Assets held for sale	109 073	190 937
Total current assets	**322 211**	**468 980**
Net defined benefit assets	5 752	12 342
Non-current financial assets	9 501	9 696
Investments in associates	53 948	52 218
Investment properties	12 587 234	12 479 781
Owner-occupied properties	572 645	565 896
Tangible assets	3 892	699
Right-of-use assets	30 737	5 747
Goodwill	152 849	152 849
Intangible assets	32 267	17 494
Deferred income tax assets	186	5 074
Total non-current assets	**13 449 011**	**13 301 796**
Total assets	**13 771 222**	**13 770 776**
Liabilities and shareholders' equity		
Accounts payable	43 641	17 018
Current financial liabilities	355 867	159 388
Other current liabilities	110 145	15 541
Advance payments	31 080	21 883
Current income tax liabilities	44 375	40 015
Accrued expenses	138 940	156 961
Total current liabilities	**724 048**	**410 806**
Non-current financial liabilities	5 149 557	5 510 454
Deferred tax liabilities	1 328 320	1 319 263
Total non-current liabilities	**6 477 877**	**6 829 717**
Total liabilities	**7 201 925**	**7 240 523**
Share capital	153 437	153 437
Capital reserves	995 605	864 644
Treasury shares	–1 374	–6
Revaluation reserves	19 627	18 726
Retained earnings	5 402 002	5 493 452
Shareholders' equity attributable to shareholders of Swiss Prime Site AG	**6 569 297**	**6 530 253**
Total liabilities and shareholders' equity	**13 771 222**	**13 770 776**

Imprint

The original of this report is written in German.
The original German text is the effective official version.

Overall responsibility | Editing
Swiss Prime Site AG
Alpenstrasse 15
CH-6300 Zug
info@sps.swiss
www.sps.swiss

Design | Realisation
Linkgroup AG, Zurich

Translation
Supertext AG, Zurich

Image material
Swiss Prime Site AG, Zug

Disclaimer

This report contains statements regarding future financial and operational developments and results as well as other projections that are forward-looking or contain subjective assessments that are not historical facts. In some cases, these forward-looking statements can be identified by the use of words such as «believe», «estimate», «anticipate», «expect», «intend» and similar expressions as well as their negative equivalent. Such forward-looking statements or subjective assessments (hereinafter referred to as «forward-looking statements») are based on expectations, estimates and assumptions that seem to be appropriate to the Company at the time of the preparation of the report. However, the actual results may differ from these statements. A number of factors, such as the ability of the management to implement the business strategies of Swiss Prime Site AG, the future conditions and developments in the market in which Swiss Prime Site AG operates, or the market behaviour of other market players, may differ materially from the anticipated results including the actual business situation, results of operations and financial condition of the Company. In addition, past trends are not indicative of any future trends.

Swiss Prime Site AG, its associates, their employees, their advisors as well as other people involved in the preparation of the report explicitly disclaim any warranty or guarantee that information contained in this report is still correct and complete at any time after its publication. Furthermore, they disclaim any obligation to publish updates or amendments regarding the forward-looking statements made in this report in order to reflect changes in the events or circumstances on which these forward-looking statements are based except as required by law. Readers of this report should therefore not rely on the forward-looking statements expressed.

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

Swiss Prime Site

Headquarters
Swiss Prime Site AG
Alpenstrasse 15
CH-6300 Zug

Zurich Office
Swiss Prime Site AG
Prime Tower, Hardstrasse 201
CH-8005 Zurich

Geneva Office
Swiss Prime Site AG
Rue du Rhône 54
CH-1204 Geneva

Phone +41 58 317 17 17 | info@sps.swiss | www.sps.swiss