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MEDIA RELEASE

12 November 2013
For immediate release

Quarterly report as at 30 September 2013

Profit continues to climb

Olten, 12 November 2013 – Swiss Prime Site succeeded in raising EBIT by 15.2% to CHF 421.6 million and boosting profit by 22.7% to CHF 267.4 million in the first nine months of the financial year 2013. Weighted earnings per share increased by 10.8% to the CHF 4.43 mark. The real estate portfolio grew in value by +9.2% versus year-end 2012 to CHF 9.39 billion. For the financial year 2013, the management remains optimistic and forecasts noticeably higher EBIT and profit figures versus the previous year's levels.

Swiss Prime Site once again operated very successfully in the reporting period. EBIT climbed by 15.2% from CHF 365.9 million to CHF 421.6 million, and profit increased by 22.7% to CHF 267.4 million (from CHF 217.9 million). Comprehensive income surged by 27.2% from CHF 224.1 million to CHF 285.0 million. Excluding revaluation effects*, EBIT amounted to CHF 248.6 million (+8.0%) and profit totalled CHF 160.6 million (+19.7%). The increases were attributable to some extent to acquisitions. Wincasa and Tertianum group, which were acquired as at 25 October 2012 and 12 July 2013, respectively, were not yet included in the previous year's period.

Operating income rose by 27.9% to CHF 536.5 million from CHF 419.5 million. The figure includes rental income of CHF 310.7 million (CHF 305.8 million) – with a loss of earnings rate of 6.0% (5.3%) – and income from real estate services of CHF 72.4 million as well as income from retail and gastronomy of CHF 107.7 million (CHF 111.3 million). The operating income number also includes income of CHF 43.0 million from Tertianum Group (assisted living segment), acquired as at 12 July 2013, which additionally generated rental income of CHF 12.5 million that is reflected in the above-mentioned rental income figure.

The fair value of the real estate portfolio amounted to CHF 9.39 billion, growing by 9.2% versus the level of CHF 8.60 billion at 31 December 2012. The increase in value of CHF 790.0 million was attributable to the acquisition of Tertianum real estate holdings, most of which are recognised as owner-occupied properties, including the new building development project in Opfikon (CHF 440.9 million) as well as investments in existing properties and new building projects of CHF 358.0 million. The divestments of two properties in Granges-Paccot and Losone diminished the value of the portfolio by CHF 8.9 million.

*revaluations and deferred taxes on real estate



New building projects – such as SkyKey in Zurich Oerlikon, Swiss Post headquarters/Majowa in Berne and the multiplex cinema at the Centre commercial & de loisirs (CCL) La Praille in Geneva – are proceeding according to plan. And the number of condominiums registered as sold at Maaghof North and East increased to 40 (of total 83 units).

"The real estate market in which Swiss Prime Site is active, is intact, and our strategy aimed at generating additional earnings has proven to be a success," declares CEO Markus Graf.

Share and share capital

Weighted earnings per share after revaluations edged up by 10.8% from CHF 4.00 to CHF 4.43 and before revaluations by 8.1% from CHF 2.46 to CHF 2.66. Net asset value (NAV) before deferred taxes increased by 4.0% to CHF 81.07 as at 30 September 2013 from CHF 77.98 (as at 30 September 2012). NAV after deferred taxes rose by 4.2% to CHF 66.37 from CHF 63.72. The Swiss Prime Site share closed at the end of the reporting quarter at CHF 69.95, resulting in a total return (i.e. share-price performance and distribution – TR) of -3.9%. The share price performance slightly surpassed the SXI Real Estate Shares Index (-5.1%).

Outlook

As stated with the semi-annual results published in September, Swiss Prime Site's forecast for 2013 calls for noticeably higher EBIT and profit figures versus the previous year's levels as well as a loss of earnings rate of 5.5% to 7.0%. The acquisitions of Wincasa and Tertianum ensure broader support of the earnings base and will have a positive effect on the annual results.

Selected key figures

	Figures in	30.09.2013	30.09.2012 restated ¹⁾	Change in %
Investment properties	CHF m	9 390.3	8 397.7	11.8
Net rental income	CHF m	310.7	305.8	1.6
Loss of earnings rate	%	6.0	5.3	13.2
Income from real estate services ²⁾	CHF m	72.4	-	-
Net income from retail and gastronomy	CHF m	107.7	111.3	-3.2
Net income from assisted living ³⁾	CHF m	42.7	-	-
Earnings before interest, taxes depreciation and amortisation (EBITDA)	CHF m	439.6	378.0	16.3
Earnings before interest and taxes (EBIT)	CHF m	421.6	365.9	15.2
Revaluation of investment properties, properties under construction and development sites	CHF m	173.0	135.7	27.5
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	267.4	217.9	22.7
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	285.0	224.1	27.2
Shareholders' equity attributable to shareholders of Swiss Prime Site AG	CHF m	4 015.3	3 475.8	15.5
Equity ratio	%	39.7	39.8	-0.3
Borrowed capital	CHF m	6 086.4	5 260.3	15.7
Borrowed capital ratio	%	60.3	60.2	0.2
ROE (weighted)	%	9.5	8.4	13.1
ROIC (weighted)	%	4.9	4.8	2.1
Earnings per share (weighted)	CHF	4.43	4.00	10.8
NAV before deferred taxes per share	CHF	81.07	77.98	4.0
NAV after deferred taxes per share	CHF	66.37	63.72	4.2
Figures without revaluation effects*				
Earnings before interest and taxes (EBIT)	CHF m	248.6	230.2	8.0
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	160.6	134.2	19.7
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	170.1	137.4	23.8
Earnings per share (weighted)	CHF	2.66	2.46	8.1
ROE (weighted)	%	5.9	5.3	11.3

¹⁾ restatement of previous year based on IAS19 revised; see the notes in the Annual Report 2012, pages 62 and 63

²⁾ acquisition of Wincasa AG as at 25.10.2012

³⁾ acquisition of Tertianum AG as at 12.07.2013

* revaluations and deferred taxes on real estate



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Swiss Prime Site

Swiss Prime Site AG is Switzerland's largest listed real estate investment company. Its portfolio is valued at CHF 9.4 billion and comprises first-class, value-retaining and high-quality properties with primarily office and retail floor space situated in prime locations. The real estate investments, coupled with the real estate services provided by subsidiary Wincasa AG, make up the real estate segment. The retail and gastronomy segment consists of primarily Jelmoli – The House of Brands department store and Clouds Restaurant in Prime Tower, Zurich. The assisted living segment comprises the senior residences and nursing care facilities provided by Tertianum Group, which was acquired in mid-2013. Swiss Prime Site is distinguished by its experienced management team, considerable earnings continuity and excellent risk/return profile. The Company has been listed on the SIX Swiss Exchange since 2000 and reports market capitalisation of CHF 4.2 billion.

SIX Swiss Exchange / symbol SPSN / securities number 803 838

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