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MEDIA RELEASE

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Swiss Prime Site and Motel One Group forge ahead together in Switzerland

Flexibility, innovation and sustainability are key factors of success in the real estate sector as well as in the hotel industry. This lays the foundation for an ideal partnership between Swiss Prime Site AG and Motel One Group for jointly creating budget design hotels situated in excellent locations in Basel and Zurich. The first budget design hotel in all of Switzerland from Motel One has now successfully opened its doors in Basel's city centre in July.

In the wake of an extensive review of various opportunities for utilising the office property located at Freien Strasse 68, Basel, Swiss Prime Site decided on the most innovative option. The former office building dating back to the year 1930 has now been converted into a hotel. Peter Lehmann, Chief Investment Officer of Swiss Prime Site explains: "Through modifying part of the property into a hotel, we have certainly chosen the option that presents the greatest challenge, but also the most sustainable variant in the long term. Furthermore, we are thus creating a long-awaited supply of attractive hotel rooms in the budget segment in Basel."

Indeed, Swiss Prime Site found the ideal partner – with Germany-based budget design hotel group Motel One – at the end of 2013 for developing the two hotel projects in Basel and Zurich. The Company invested roughly CHF 22 million in Basel in the modification project in the past two years, while at the same time preserving the fundamental structure of the venerable building in the heart of Basel. Motel One is now opening its first budget design hotel in Switzerland in Basel in July 2016, comprising 143 rooms.

Swiss Prime Site and Motel One are currently executing another hotel development project with around 400 rooms in Zurich, with the opening planned for the summer of 2017. In this regard, Peter Lehmann clarifies: "We are pleased that we have found an innovative partner with hotel group Motel One, which will operate impressive, ornate budget design hotels at our properties in Basel and Zurich. We are also convinced that the Motel One concept will achieve considerable success in Switzerland as well."

The conversions of the office buildings in Basel and Zurich demonstrate that Swiss Prime Site is stringently pursuing its strategy aimed at attractively structuring its portfolio with renovation, modification and conversion of existing properties. Moreover, the conclusion of multi-year rental agreements with Motel One Group enables Swiss Prime Site to secure sustainable rental income and shows how the existing real estate holdings can be structured according to demand, through innovation and flexibility.



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Swiss Prime Site

Swiss Prime Site AG is Switzerland's leading listed real estate company. The Group's portfolio is valued at CHF 9.7 billion and comprises 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 group company Wincasa AG, make up the Real Estate business field. The Retail business field consists of Jelmoli – The House of Brands premium department store. The Assisted Living business field comprises the senior residences and geriatric care facilities provided by Tertianum Group.

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 6.1 billion as at 30 June 2016.

SIX Swiss Exchange / symbol SPSN / securities number 803 838

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