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## MEDIA RELEASE

16 May 2013  
For immediate release

### Quarterly Report as at 31 March 2013

#### Swiss Prime Site boosts profit

**Olten, 16 May 2013 – Swiss Prime Site increased earnings before interest and taxes (EBIT) by 2.5% to CHF 85.7 million and boosted profit by 4.0% to CHF 46.9 million in the first quarter of 2013. The Company's management confirms the positive outlook for the financial year 2013. Oliver Hofmann, CEO of Wincasa AG, has been appointed as a member of the Group Management Board as at 1 June 2013.**

Operating income increased from CHF 143.3 million to CHF 160.8 million. The Company succeeded in boosting profit by 4.0% versus the previous year's comparable quarter from CHF 45.1 million to CHF 46.9 million. Excluding revaluation effects, profit climbed by 5.3% to CHF 51.6 million (CHF 49.0 million). Earnings before interest and taxes (EBIT) rose by 2.5% from CHF 83.6 million to CHF 85.7 million. The equity ratio moved up versus the comparable period, from 40.8% to 43.1%.

#### Real estate segment

The real estate portfolio grew by 5.7% year-on-year to CHF 8.65 billion (CHF 8.18 billion). A smaller commercial property located in Granges-Paccot FR was sold at a fair value of CHF 7.8 million as at 1 January 2013.

Office properties accounted for 41% (40%) of total net rental income, while the share of retail properties amounted to an unchanged 35%. The economic regions of Zurich and Geneva made up 39% and 23%, respectively, of overall portfolio fair value, as in the previous year's quarter. The proportion of Northwest Switzerland shrank slightly from 19% to 18%.

Realisation of the various renovation, new building and property modification projects proceeded according to plan in the first three months of 2013.

The loss of earnings rate increased versus the financial year 2012 from 5.4% to 6.5% (as anticipated), of which 0.8 percentage points was attributable to renovations. Swiss Prime Site generated real estate services income of CHF 23.3 million in the first quarter of 2013 with Wincasa AG, which has been consolidated since 25 October 2012.

#### Retail and gastronomy segment

Net retail and gastronomy turnover dipped by 6.9% to CHF 36.5 million, amid the prevailing tense consumption environment with a tendency toward declining price levels.

### **Data per share**

Net asset value (NAV) before deferred taxes climbed by 2.6% from CHF 77.51 to CHF 79.50. NAV after deferred taxes increased by 3.1% from CHF 64.05 to CHF 66.02. The withholding tax-exempt distribution from capital contribution reserves paid to shareholders amounted to CHF 3.60, effected as at 24 April 2013. The payout corresponded to a cash yield of 4.7%, based on the closing share price of CHF 76.35 at year-end 2012. The Swiss Prime Site share closed at a price of CHF 76.85 as at 31 March 2013.

### **Expansion of Group Management Board**

The Board of Directors has appointed Oliver Hofmann, CEO of Wincasa AG, as a member of the Group Management Board as at 1 June 2013. Mr. Hofmann boasts years of extensive experience in the field of real estate and holds a degree in economics from the University of Applied Sciences in Business Administration Zurich, as well as a master in real estate from the University of Zurich (CUREM). In addition, he is Chairman of RICS Switzerland, the leading international association of real estate experts.

Oliver Hofmann's photo and curriculum vitae can be downloaded via the following link:  
<http://www.swiss-prime-site.ch/d/bilder.php>

### **Outlook**

Demands on the part of tenants and potential interested tenants will continue to increase in the coming years, which, in turn, should favour the demand for the quality real estate that Swiss Prime Site holds and develops.

The Company anticipates a stepped-up crowding-out effect from competition in the office property market due to the high level of new building production, from which second-class properties situated in periphery or poorly developed locations should emerge as the losers. In the retail real estate market, existing properties that are not distinctly positioned necessitating a need for renovation and modernisation face the risk of increasing vacancies.

As already announced in March 2013, the Company's forecast for 2013 calls for a loss of earnings rate of 5.5% to 7.0% as well as EBIT and profit figures (before revaluation\* and one-time effects) that are roughly in line with the respective previous year's levels.

\* revaluations (IAS 40) and deferred taxes on real estate

## Selected key figures

	Figures in	31.03.2013	31.03.2012 restated <sup>1)</sup>	Change in %
Investment properties	CHF m	8 646.2	8 179.7	5.7
Net rental income	CHF m	99.8	103.0	-3.1
Loss of earnings rate	%	6.5	4.7	38.3
Income from retail and gastronomy, net	CHF m	36.5	39.2	-6.9
Income from real estate services <sup>2)</sup>	CHF m	23.3	-	-
Earnings before interest, taxes depreciation and amortisation (EBITDA)	CHF m	90.8	87.6	3.7
Earnings before interest and taxes (EBIT)	CHF m	85.7	83.6	2.5
Revaluation of investment properties (IAS 40)	CHF m	4.4	2.8	57.1
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	46.9	45.1	4.0
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	47.6	47.2	0.8
Shareholders' equity attributable to shareholders of Swiss Prime Site AG	CHF m	3 967.6	3 482.1	13.9
Equity ratio	%	43.1	40.8	5.6
Borrowed capital	CHF m	5 232.7	5 053.4	3.6
Borrowed capital ratio	%	56.9	59.2	-3.9
ROE (weighted)	%	4.8	5.2	-7.7
ROIC (weighted)	%	3.2	3.4	-5.9
Earnings per share (weighted)	CHF	0.78	0.83	-6.0
NAV before deferred taxes per share	CHF	79.50	77.51	2.6
NAV after deferred taxes per share	CHF	66.02	64.05	3.1
<b>Figures without revaluation effects*</b>				
Earnings before interest and taxes (EBIT)	CHF m	81.4	80.8	0.7
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	51.6	49.0	5.3
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	51.0	50.1	1.8
Earnings per share (weighted)	CHF	0.86	0.90	-4.4
ROE (weighted)	%	5.3	5.7	-7.0

<sup>1)</sup> restatement of previous year due to IAS19 revised (see notes in Annual Report 2012, pages 62 and 63)

<sup>2)</sup> acquisition of Wincasa AG as at 25.10.2012

\* revaluations (IAS 40) and deferred taxes on real estate; the overall portfolio will be revaluated as per 30.06. and 31.12.



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## Swiss Prime Site

Swiss Prime Site AG is Switzerland's leading real estate investment company. The Company's portfolio is valued at CHF 8.6 billion and comprises first-class, value-retaining commercial and retail properties situated in prime locations. The real estate investments, coupled with the real estate services provided subsidiary Wincasa AG, make up the real estate segment. The retail and restaurant segment comprises primarily Jelmoli – The House of Brands department store and Clouds Restaurant in Prime Tower, Zurich. 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 around CHF 4.6 billion.

SIX Swiss Exchange / symbol SPSN / securities number 803 838

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