

# swiss prime news



picking the real value



## NAV

CHF 77.26 as at 30.06.2012

CHF 76.72 as at 31.12.2011

before deferred taxes

Securities number 803 838

SIX symbol SPSN

Swiss Prime Site AG – first half-year 2012

## Quality pays off



Markus Graf, CEO of Swiss Prime Site AG

**Swiss Prime Site achieved favourable results for the first half-year 2012, boosting EBIT by 20.8% to CHF 291.8 million and lifting profit by 18.3% to CHF 180.3 million. The portfolio has been valued at CHF 8.35 billion (+2.3%). For the full year 2012, Swiss Prime Site continues to forecast a loss of earnings rate of less than 5.5% as well as EBIT and profit figures (before revaluation and one-time effects) that are at least in line with the previous year's levels.**

The prevailing intact economic environment and persistent demand for first-class office and retail properties set the backdrop for the underlying conditions leading to the favourable results reported by Swiss Prime Site AG for the first six months of 2012. Earnings before interest and taxes (EBIT) surged by 20.8% from CHF 241.5 million to CHF 291.8 million, of which the share of revaluations amounted to CHF 130.4 million. This corresponded to an increase of 67.6% versus the CHF 77.8 million recorded in the previous year's period. Including revaluation effects\* profit climbed by 18.3% to CHF 180.3 million [CHF 152.4 million] and comprehensive income rose to CHF 182.3 million [CHF 154.9 million]. Excluding revaluation effects, profit reached the CHF 94.3 million mark and therefore down 10.3% compared with the level in the first half-year 2011 [CHF 105.1 million], which was affected, among other factors, positively by a one-time effect stemming from income from investments in associates of roughly CHF 10 million.

Weighted earnings per share excluding revaluation effects amounted to CHF 1.73 versus the previous year's figure of CHF 1.93. Including revaluation effects, weighted earnings

per share increased by 17.8% from CHF 2.81 to CHF 3.31. Net asset value (NAV) before deferred taxes stood at CHF 77.26 as at 30.06.2012 compared with CHF 76.72 as at 31.12.2011 (+0.7%). NAV after deferred taxes declined by 0.4% from CHF 63.34 to CHF 63.11.

The withholding tax-exempt distribution from capital contribution reserves issued to shareholders on 27.04.2012 amounted to CHF 3.60 [CHF 3.50] per share. The distribution corresponded to a cash yield of 5.1% [5.0%], based on the closing share price at 31.12.2011 [31.12.2010].

Net rental income of CHF 204.2 million surpassed the previous year's level [CHF 203.8 million] by 0.2%. This slight pickup was attributable primarily to Prime Tower and Platform in Zurich (CHF +11.2 million) – which were completed in the prior year and fully leased – in addition to various divestments in the previous and current year (CHF –7.1 million) as well as a variety of changes in existing properties (CHF –3.7 million). The loss of earnings rate rose from 4.9% to 5.4%, as expected.

\*revaluations (IAS 40) and deferred taxes

Continued on page 2



## MEDIA STAR

MFO building successfully relocated 60 metres away.

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## NEW BUILDING PROJECTS

Swiss Prime Site invests in tomorrow's returns.

Pages 4–5



## QUALITY FLOOR SPACE

Total modernisation of Flurpark in Zurich Altstadt by 2014.

Page 8





The Murifeld building in Berne will be renovated and modernised by end 2013.

Total operating income edged up by 0.8% to CHF 281.4 million [CHF 279.1 million].

The balance sheet ratios changed only slightly versus those recorded at end 2011. Shareholders' equity attributable to shareholders of Swiss Prime Site AG dipped slightly from CHF 3 443.7 million to CHF 3 442.8 million. Conversions amounting to nominal CHF 13.5 million of the CHF 300 million convertible bond took place in April, resulting in an increase in share capital of CHF 2.9 million or 187 088 registered shares and in capital reserves of CHF 10.4 million. The equity ratio reached 39.6% [40.0%] and the borrowed capital ratio amounted to 60.4% [60.0%]. The weighted return on equity (ROE) amounted to 10.5% [10.6% on 31.12.2011] and the weighted return on invested capital (ROIC) totalled 5.5% [5.8%].

The Swiss Prime Site share will be listed on the Swiss Leader Index (SLI) starting from 24.09.2012, which comprises the 30 largest and most liquid stocks on the Swiss equity market. The listing will further enhance the visibility and liquidity of the share.

#### Retail trade segment

The retail trade segment boosted net turnover slightly from CHF 73.7 million to CHF 76.2 million despite the difficult market environment. This figure included (before group eliminations) the net retail sales of CHF 64.6 million [CHF 68.8 million] generated

by Jelmoli – The House of Brands department store from proprietary-managed floor space as well as income from the hotel business of CHF 11.7 million [CHF 5.0 million]. The revenues realised by Clouds Restaurant – which opened its doors in Prime Tower at end 2011 – were included in the latter as well.

#### Real estate portfolio

The real estate portfolio was assessed with a fair value of CHF 8.35 billion as at 30.06.2012, corresponding to an increase of 2.3% versus the value of CHF 8.17 billion recorded as at 31.12.2011. The portfolio comprised 170 existing properties, 12 plots of building land and 4 development projects. The commercial building located at Vadianstrasse 25 in St. Gallen was divested at a profit at the outset of the financial year. Moreover, the new building project Majowa in Berne, Wankdorfallee, was acquired on 12.03.2012, which will become the future headquarters of Swiss Post following its planned completion in autumn 2014. The MFO building in Zurich Oerlikon was relocated 60 metres away on 22/23 May amid considerable interest on the part of the media and public and was therefore added to the portfolio.

The pickup in the fair value of the real estate portfolio of CHF 184.9 million was attributable to value changes and investments in the new building projects Maaghof North and East, SkyKey and MFO building in Zurich (CHF +33.7 million), value changes (including renovations/investments) in existing properties (CHF +147.1 million) and plots of building land (CHF +0.6 million), the acquisition of the Majowa project in Berne (CHF +12.0 million) as well as the divestment of the property located at Vadianstrasse 25 in St. Gallen as at 01.01.2012 (CHF –8.5 million). The weighted average real discount rate amounted to 4.26% [4.38% as at 31.12.2011].

The portfolio split according to regions showed no changes versus the status quo as at year end. Zurich with 39%, Geneva with 23% and Northwest Switzerland with 19% remained the most important regions in terms of investment. The most significant segments according to utilisation were still office and commercial properties, contributing 41% [41%] of total net rental income. The share of retail properties grew from 35% to 36%.

#### Dynamic project development business

Swiss Prime Site will have completed five new building projects, among others, in the period between spring 2014

and spring 2015. These projects include the retail property Aux Armourins in Neuchâtel, the La Praille multiplex cinema in Grand-Lancy near Geneva, the two office buildings SkyKey in Zurich and Majowa in Berne, as well as the residential building complex Maaghof North and East located at the Maag Site in Zurich. The cumulative investment sum amounts to a total of more than CHF 560 million.

The commercial building complex Flurpark situated at Flurstrasse 55 in Zurich Altstetten will be extensively modernised and repositioned by 2014 at a cost of roughly CHF 65 million. In addition, the existing property located at Murifeld/Weltpoststrasse 5 in Berne will undergo modernisation by end 2013 in order to meet the prevailing market demands.

#### Outlook

Swiss Prime Site continues to take an optimistic stance regarding the second half of 2012 and anticipates a persistently high occupancy rate. The loss of earnings rate should hover in a range between 5.0% and 5.5% of target rental income and therefore still considerably below the market average. The Company forecasts EBIT and net profit (before revaluation and one-time effects) that are in line with, or slightly above, the previous year's levels.

Swiss Prime Site AG aims to integrate significant management services that had been previously provided by Credit Suisse AG, Real Estate Asset Management, into the Company effective as at 01.01.2013. CEO Markus Graf, CFO Peter Wullschleger and CIO Peter Lehmann, who, together with Franco Savastano (CEO Jelmoli – The House of Brands), have formed the firm's Management Board – in addition to other real estate specialists – will then be directly employed by Swiss Prime Site AG. Consequently, the experience and expertise provided by these key personnel, who up to now have assumed the operating responsibility, will be bound even closer to the Company.

Interview with Markus Graf, CEO Swiss Prime Site AG

## Proven strategy, new structure

**Swiss Prime Site is undergoing a new organisational structure 12 years after its initial public offering in 2000. The Company's tried and tested Management Board as well as other specialists will be directly employed by Swiss Prime Site AG, Olten, effective as at 01.01.2013. CEO Markus Graf sheds some light on the background of the organisational adjustments.**

**Mr. Graf, what prompted Swiss Prime Site to directly employ the Management Board and other real estate specialists?**

Swiss Prime Site is currently the leading real estate investment company in Switzerland, with a portfolio amounting to CHF 8.35 billion. We were very successful in the past and are committed to ensuring that such success continues to prevail on the medium- and longer-term horizon as well. In addition, given the dimension of the Company, we regarded the direct and exclusive availability of key personnel resources as requisite and sensible.

**Are you throwing the business model featuring streamlined structures and collaboration with outsourcing partners overboard?**

No. We are sticking to our business model, but adapting it to current needs and future demands. The trustworthy collaboration with first-class outsourcing partners has proven to be

reliable and will persist accordingly. The new organisational structure paves the way for us to efficiently master the diverse challenges in the real estate business and continue to tread on the successful course of recent years.

**Which persons will be directly employed by Swiss Prime Site?**

The members of the Management Board, including CFO Peter Wullschleger, CIO Peter Lehmann, Franco Savastano, CEO of Jelmoli – The House of Brands, and myself as the Company's CEO as well as another 10 to 15 real estate specialists.

**Through which capabilities do these particular employees distinguish themselves?**

They are specialised in specific areas such as finance, controlling, retail, property and construction management, and boast extensive professional know-how. At the same time, they also think and act in an entrepreneurial way, exhibit an ambitious character and show a total commitment to Swiss Prime Site – the ideal mix of traits.

**Why will the management agreement with Credit Suisse continue to be maintained?**

The collaboration with Credit Suisse AG, Real Estate Asset Management, Zurich, has prevailed since Swiss Prime Site AG

was founded in 1999 and has stood the test of time, as underscored by the Company's successful track record. Any change in asset manager would result in a significant loss of know-how and efficiency in the area of operations. Moreover, the advantages and disadvantages were periodically determined and assessed in the past. And the advantages have always outweighed the disadvantages up to now.

**You will continue to serve as CEO of Swiss Prime Site. Do you have any desire to scale back your activities?**

I'm healthy and feeling fit and motivated. As long as the Board of Directors is convinced that I can substantially contribute to the Company's future success, I will be pleased to be of service to Swiss Prime Site for another two to three years.

**Is the real estate business a hobby for you?**

I would not go so far as to say it's a hobby, but it's true that I'm still fascinated by the realm of real estate and property investments.



MFO building in Zurich Oerlikon

# Brick building turns media star



The MFO translocation was a significant event for the technical experts, media and local residents alike.

**The spectacular building translocation on 22/23 May triggered a tremendous media reverberation. The Swiss radio and television network (SRF) covered the event with a more than 14-hour broadcast, generating record traffic in the realm of social media.**

Relocating a 6200 ton commercial building 60 metres away according to plan is indeed an extraordinary spectacle for all of Europe. The media also recognised this fact, which prominently reported on the translocation of the structure already in the run-up to, as well as during and after, the event. «MFO building right on target», declared the «NZZ», praising the precision of the operation right down to the centimetre. «20 Minuten» reported: «MFO building reaches destination at 16:03 – hundreds of spectators greet proud construction workers with cheers.» And Swiss-French daily newspaper «Le Matin» chimed in with the headline «Le colosse de 6200 tonnes est arrivé à bon port», also expressing its fascination with the precise arrival of the building at its new location.

## SF 2 broadcast realised market share of 20%

The extraordinary aspect of the building translocation and foreseeable strong interest on the part of the public prompted SRF to bring out its big guns, shooting live moving pictures – albeit with the appropriate patience. «We covered the event with a 14-hour broadcast», recalls Thomas Schächli, SRF programme developer and member of the editorial staff. The media took advantage of the spectacular building translocation to revive the traditional form of extensive, prolonged live TV coverage. The programme broadcast by SF 2 «Schweiz aktuell extra – the journey of a house» was a total success. «We achieved – and maintained – a market share of nearly 20% on both days over the entire broadcast period», states Mr. Schächli more precisely. On Tuesday, 22 May, an average of more than 50 000 spectators watched the television broadcast. «The fact that the average age of the audience was much lower than otherwise across a broad spectrum was very remarkable», adds Thomas Schächli. This statistic reveals that the broadcast also appealed to a young audience.

In addition to the technical aspects, the event also featured prominent representatives from the fields of economics, politics and culture, including statements from Zurich City's mayor Corine Mauch, Swiss Federal Railways' (SBB) CEO Andreas Meyer, Cantonal Council member Ernst Stocker and cabaret star Franz Hohler. The partners participating in the project as well as local residents also conveyed comments.

## More than 50 000 live-stream or webcam clicks

SRF also succeeded in scoring achievements even in the online and social-media realm. According to programme developer Thomas Schächli: «Never before has an SRF live broadcast attracted such tremendous traffic in the realm of social media.» The building translocation was the most widely viewed topic online for days. In addition, more than 50 000 viewers clicked on the online live stream or webcam images, respectively.

The SRF media representative was also impressed by the cooperation from Swiss Prime Site: «The company was extremely professional. Our idea was positively embraced, underpinned by the responsible parties, very efficiently executed and developed into a tremendous success for both sides.» [www.swiss-prime-site.ch/mfo](http://www.swiss-prime-site.ch/mfo)



Programme developer Thomas Schächli: «Never before has an SRF live broadcast attracted such tremendous traffic in the realm of social media.»



The SRF live broadcast was streamed on big screens set up on site.



Blast-off succeeds – building on course.



CIO Peter Lehmann in interview with SRF.



## New building projects

# Ensuring future returns

**Swiss Prime Site has forged ahead with the development and construction of real estate projects with determination in recent years. The Company is currently executing five new building projects in Zurich, Berne, Neuchâtel and Grand-Lancy with an investment volume of more than CHF 560 million. These projects are contributing to a boost in the firm's future operating cash flows.**

## SkyKey, Zurich

The new services building located at Hagenholzstrasse 60 comprises roughly 40 000 square metres of office floor space for around 2 400 workplaces, various conference rooms and a personnel restaurant for about 900 persons. The subterranean levels contain 230 parking places as well as storage and auxiliary rooms. The property volume consists of an eight-storey base structure, from which a 63-metre-high tower with 18 storeys emerges in the southeast corner. The building shell will be completed by mid 2013. The property is destined for LEED (Leadership in Energy and Environmental Design) certification and fully leased to Zurich Insurance Company Ltd as at summer 2014. The investment costs amount to roughly CHF 236 million. [www.skykey.ch](http://www.skykey.ch)

## Headquarters of Post, Majowa, Berne

Swiss Prime Site is executing the Majowa building project acquired in the spring of 2012 in the up-and-coming WankdorfCity neighbourhood in Berne. The well-connected new building will become the future headquarters of Swiss Post, providing room for around 1 800 workplaces within its rental floor space comprising roughly 33 700 square metres. Office floor space will be set up on the second to seventh upper floors, with a conference centre to be constructed on the first floor. The

personnel restaurant has capacity for 450 persons and will be situated on the ground floor. The first and second subterranean levels will contain 170 parking places as well as spaces for 450 bicycles. Three atriums, connected by the entrance hall, allow an abundance of natural daylight to stream into the building. The building project is being constructed in accordance with the sophisticated and comprehensive standards called for by the quality seal of approval of the German Sustainable Building Council (DGNB) as well as the Swiss Sustainable Building Council (SGNI). The investment volume amounts to around CHF 144 million.

## Maaghof North and East, Zurich

The start-up of construction or deconstruction for the residential building complex located at the Maag Site was carried out in July. The property situated to the west of Prime Tower will be home to 137 rental apartments and 82 condominiums by the spring of 2015. Total residential floor space comprises 21 800 square metres allocated to nine upper floors. The commercial floor space on the ground floor amounts to roughly 2 400 square metres, which is suitable for retail shops, a kindergarten, food and beverage operations or other services appropriate for the new neighbourhood. The subterranean garage will include 143 parking places. Total investment costs (including land) have been calculated at roughly CHF 140 million. [www.swiss-prime-site.ch/maaghof](http://www.swiss-prime-site.ch/maaghof)

## Aux Armourins, Neuchâtel

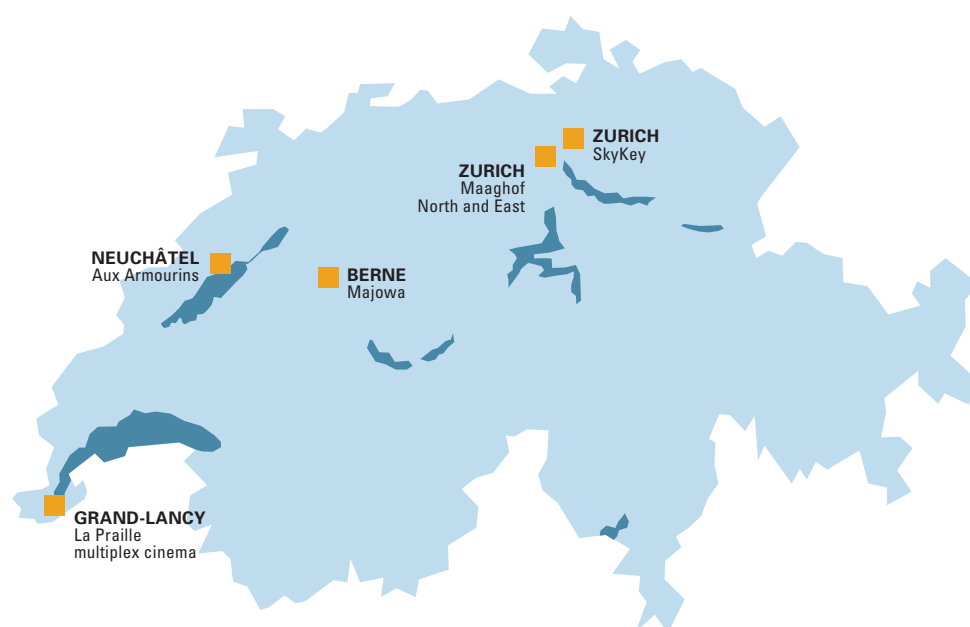
Swiss Prime Site is replacing the existing part of the Aux Armourins building situated in the city centre property located at Rue du Temple-Neuf 14 – in which Globus had been the tenant up until end-October 2011 – with a new structure. The Hôpital and Coquillon substructures of the building are to be

renovated as well. Following completion in the spring of 2014, the property will comprise roughly 3 600 square metres of state-of-the-art retail space allocated to two floors, around 1 200 square metres of residential floor space situated on the uppermost floors and about 1 700 square metres of office space. Fashion house Zara is the primary tenant of the retail floor space. The investment volume (excluding land) amounts to approximately CHF 26 million.

## La Praille multiplex cinema, Grand-Lancy

Construction of a multiplex cinema with nine theatres will commence on the roof of the La Praille shopping centre in Grand-Lancy near Geneva in autumn 2012. The new building, in which Swiss Prime Site invests CHF 21 million, will open its doors in spring 2014 and is leased to Arena Cinemas AG under a long-term agreement. In addition, a photovoltaic facility is being constructed on the roof of the shopping centre. The building has been selected as a pilot project for photovoltaic facilities because the location benefits from a high level of direct sunlight, and an appropriate regulatory agreement regarding feed-in tariffs could be concluded with the Geneva public utility company (Services Industriels de Genève, SIG).

## SWISS PRIME SITE'S NEW BUILDING PROJECTS CURRENTLY UNDER CONSTRUCTION

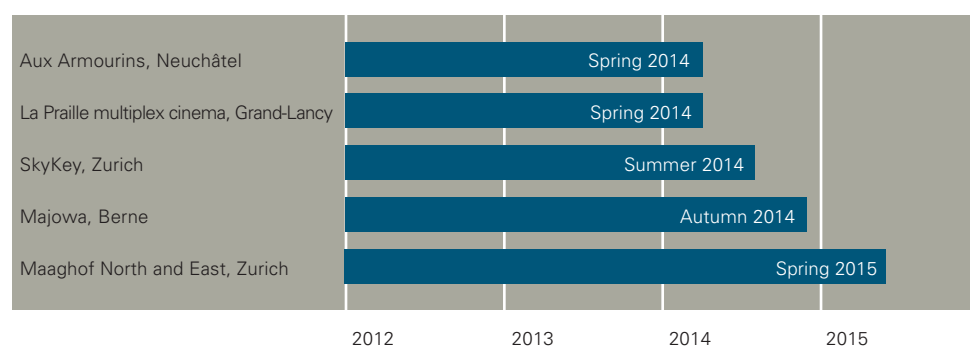


Aux Armourins in Neuchâtel, new retail floor space for Zara.



La Praille in Grand-Lancy, a multiplex cinema emerging on the roof.

## COMPLETION DEADLINES FOR NEW BUILDING PROJECTS







**SkyKey in Zurich**, 2 400 workplaces for Zurich Insurance Company Ltd.



**Majowa in Berne**, new headquarters of Swiss Post.



**Majowa**, large-scale entrance hall featuring three atriums.



**Maaghof North and East in Zurich**, a spacious park-like setting emerges in the courtyard.



**Maaghof**, 219 apartments by 2015.



# Excerpt from the semi-annual report

## CONSOLIDATED INCOME STATEMENT

in CHF 1 000	01.01.–30.06.2012	01.01.–30.06.2011
Rental income from investment properties	204 154	203 789
Proceeds of property sales, net	53	765
Retail trade turnover, net	76 224	73 748
Other operating income	990	819
<b>Operating income</b>	<b>281 421</b>	<b>279 121</b>
Real estate costs	32 911	31 310
Cost of goods sold	35 443	34 681
<b>Direct operating expenses</b>	<b>68 354</b>	<b>65 991</b>
Personnel costs	22 761	19 221
Other operating expenses	20 871	21 986
Depreciation, amortisation and impairment	8 020	8 213
<b>Operating expenses</b>	<b>51 652</b>	<b>49 420</b>
Revaluation of investment properties, properties under construction and development sites, net	130 350	77 797
<b>Operating profit (EBIT)</b>	<b>291 765</b>	<b>241 507</b>
Financial expenses	59 136	61 146
Financial income	3 281	1 547
Income from investments in associates	942	11 140
<b>Profit before income taxes</b>	<b>236 852</b>	<b>193 048</b>
Income tax expenses	56 559	40 649
<b>Profit</b>	<b>180 293</b>	<b>152 399</b>
<b>Profit attributable to shareholders of Swiss Prime Site AG</b>	<b>180 293</b>	<b>152 399</b>
<b>Earnings per share, in CHF</b>	<b>3.31</b>	<b>2.81</b>
<b>Diluted earnings per share, in CHF</b>	<b>3.06</b>	<b>2.61</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

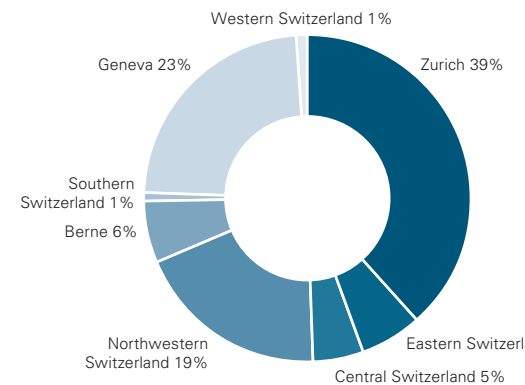
in CHF 1 000	01.01.–30.06.2012	01.01.–30.06.2011
<b>Profit</b>	<b>180 293</b>	<b>152 399</b>
Revaluation of owner-occupied properties	2 569	3 226
Deferred taxes on revaluation of owner-occupied properties	(591)	(739)
<b>Other comprehensive income</b>	<b>1 978</b>	<b>2 487</b>
<b>Comprehensive income</b>	<b>182 271</b>	<b>154 886</b>
<b>Comprehensive income attributable to shareholders of Swiss Prime Site AG</b>	<b>182 271</b>	<b>154 886</b>

## CONSOLIDATED BALANCE SHEET

in CHF 1 000	30.06.2012	31.12.2011
Cash	11 585	126 596
Securities	455	398
Accounts receivable	108 824	107 585
Other current receivables	27 426	14 295
Current income tax assets	1 947	995
Inventories	21 150	25 079
Accrued income and prepaid expenses	26 581	22 913
Assets held for sale	77 841	85 964
<b>Total current assets</b>	<b>275 809</b>	<b>383 825</b>
Other non-current receivables	5 100	5 525
Pension plan assets	8 823	7 481
Non-current financial investments	1 793	1 911
Investments in associates	21 664	22 669
Investment properties and building land	7 802 455	7 641 307
Properties under construction and development sites	142 620	96 916
Owner-occupied properties	327 056	340 923
Tangible assets	43 217	46 099
Goodwill	36 010	36 010
Intangible assets	29 011	29 511
Deferred tax assets	173	92
<b>Total non-current assets</b>	<b>8 417 922</b>	<b>8 228 444</b>
<b>Total assets</b>	<b>8 693 731</b>	<b>8 612 269</b>
Accounts payable	7 845	8 464
Current financial liabilities	715 566	537 424
Other current liabilities	20 201	23 667
Advance payments	84 213	85 558
Current income tax liabilities	21 910	48 889
Accrued expenses and deferred income	62 301	85 361
<b>Total current liabilities</b>	<b>912 036</b>	<b>789 363</b>
Non-current financial liabilities	3 542 132	3 625 277
Other non-current financial liabilities	23 360	26 042
Deferred tax liabilities	772 056	727 044
Pension provision obligations	1 340	848
<b>Total non-current liabilities</b>	<b>4 338 888</b>	<b>4 379 211</b>
<b>Total liabilities</b>	<b>5 250 924</b>	<b>5 168 574</b>
Share capital	834 704	831 841
Capital reserves	917 483	1 103 505
Revaluation reserves	20 987	19 009
Retained earnings	1 669 633	1 489 340
<b>Total shareholders' equity</b>	<b>3 442 807</b>	<b>3 443 695</b>
<b>Shareholders' equity attributable to shareholders of Swiss Prime Site AG</b>	<b>3 442 807</b>	<b>3 443 695</b>
<b>Total liabilities and shareholders' equity</b>	<b>8 693 731</b>	<b>8 612 269</b>

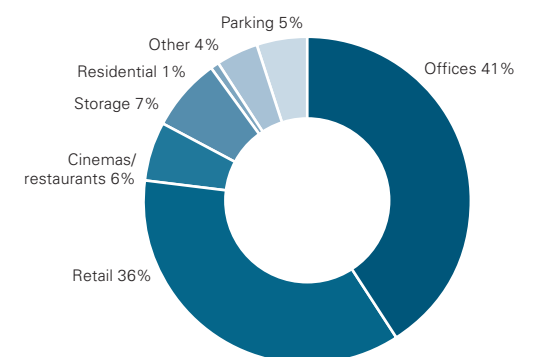
## PORTFOLIO SPLIT BY REGION

Based on fair value as at 30.06.2012



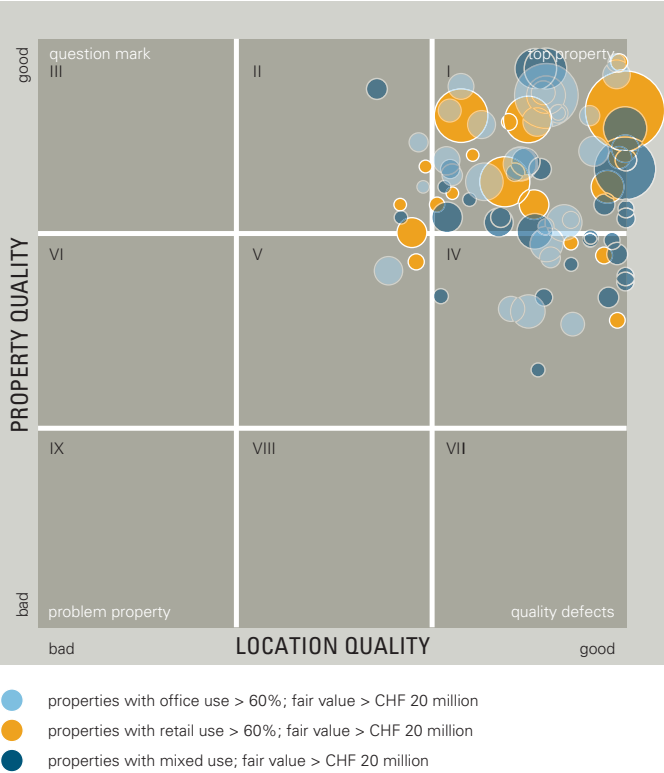
## PORTFOLIO SPLIT BY TYPE OF USE

Based on rental income as at 30.06.2012



MARKET MATRIX:  
MARKET ASSESSMENT OF INDIVIDUAL PROPERTIES

As at 30.06.2012, source: Wüest & Partner AG



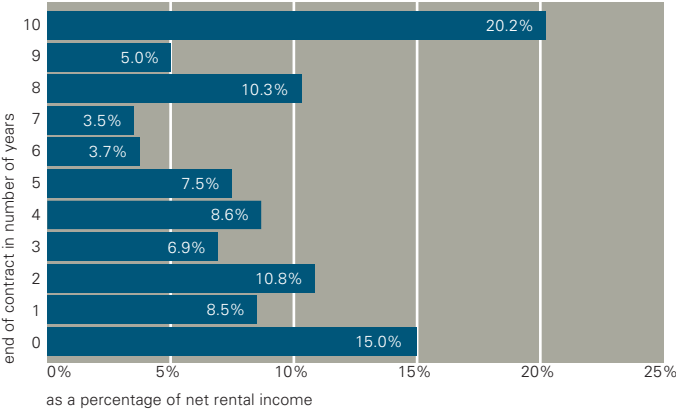
LARGEST TENANTS

As at the balance sheet date 30.06.2012, the five largest external tenant groups accounted for 25.0% [29.0%] of future annual rental income. The individual tenants all boast good credit ratings, particularly the following companies:

	30.06.2012		30.06.2011
	share in %		share in %
Coop	8.0	Coop	9.6
Migros	5.2	Migros	5.6
UBS	4.4	UBS	5.2
Swisscom	3.9	Credit Suisse Group	4.7
Credit Suisse Group	3.5	Swisscom	3.9

LEASE EXPIRY PROFILE

Based on net rental income as at 30.06.2012



CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

in CHF 1 000	Share capital	Capital reserves (premium)	Revaluation reserves	Retained earnings	Shareholders' equity attributable to shareholders of Swiss Prime Site AG	Non-controlling interests	Total shareholders' equity
As at 01.01.2011	831 841	1 292 047	9 002	1 134 288	3 267 178	–	3 267 178
Profit	–	–	–	152 399	152 399	–	152 399
Revaluation of owner-occupied properties	–	–	3 226	–	3 226	–	3 226
Deferred taxes on revaluation of owner-occupied properties	–	–	(739)	–	(739)	–	(739)
Other comprehensive income	–	–	2 487	–	2 487	–	2 487
Comprehensive income	–	–	2 487	152 399	154 886	–	154 886
Distribution from capital contribution reserves on 28.04.2011	–	(190 136)	–	–	(190 136)	–	(190 136)
Issue of 1.875% convertible bond on 21.06.2011, equity component	–	397	–	–	397	–	397
As at 30.06.2011	831 841	1 102 308	11 489	1 286 687	3 232 325	–	3 232 325
Profit	–	–	–	202 653	202 653	–	202 653
Revaluation of owner-occupied properties	–	–	9 770	–	9 770	–	9 770
Deferred taxes on revaluation of owner-occupied properties	–	–	(2 250)	–	(2 250)	–	(2 250)
Other comprehensive income	–	–	7 520	–	7 520	–	7 520
Comprehensive income	–	–	7 520	202 653	210 173	–	210 173
Share-based compensation	–	450	–	–	450	–	450
Purchase of treasury shares	–	(557)	–	–	(557)	–	(557)
Sale of treasury shares	–	1 304	–	–	1 304	–	1 304
As at 31.12.2011	831 841	1 103 505	19 009	1 489 340	3 443 695	–	3 443 695
Profit	–	–	–	180 293	180 293	–	180 293
Revaluation of owner-occupied properties	–	–	2 569	–	2 569	–	2 569
Deferred taxes on revaluation of owner-occupied properties	–	–	(591)	–	(591)	–	(591)
Other comprehensive income	–	–	1 978	–	1 978	–	1 978
Comprehensive income	–	–	1 978	180 293	182 271	–	182 271
Conversion of 2 690 units of the CHF 300 million convertible bond (2010–2015) into 187 088 registered shares in April 2012	2 863	10 364	–	–	13 227	–	13 227
Distribution from capital contribution reserves on 27.04.2012	–	(196 386)	–	–	(196 386)	–	(196 386)
As at 30.06.2012	834 704	917 483	20 987	1 669 633	3 442 807	–	3 442 807

SELECTED KEY FIGURES

Group data	Details in	30.06.2012	30.06.2011	Change in %
Rental income, net	CHF m	204.2	203.8	0.2
Retail trade turnover, net	CHF m	76.2	73.7	3.4
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	CHF m	299.8	249.7	20.1
Earnings before interest and taxes (EBIT)	CHF m	291.8	241.5	20.8
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	180.3	152.4	18.3
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	182.3	154.9	17.7
Shareholders' equity attributable to shareholders of Swiss Prime Site AG	CHF m	3 442.8	3 232.3	6.5
Equity ratio	%	39.6	37.9	4.5
Borrowed capital	CHF m	5 250.9	5 300.7	(0.9)
Borrowed capital ratio	%	60.4	62.1	(2.7)
ROE (weighted)	%	10.5	9.4	11.7
ROIC (weighted)	%	5.5	5.1	7.8

Figures without revaluation effects\*

Earnings before interest and taxes (EBIT)	CHF m	161.4	163.7	(1.4)
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	94.3	105.1	(10.3)
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	94.3	105.1	(10.3)
Earnings per share (weighted)	CHF	1.73	1.93	(10.4)
ROE (weighted)	%	5.6	6.6	(15.2)

\* revaluations (IAS 40) and deferred taxes

PARTICULARS OF PROPERTY PORTFOLIO

	Fair value in CHF m		Rental income in CHF m		Net yield in %		Loss of earnings rate in %	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011	30.06.2012	30.06.2011	30.06.2012	30.06.2011
Zurich	3 094.2	2 595.9	69.1	63.1	4.6	5.0	5.8	5.8
Central Switzerland	415.0	391.0	11.0	11.0	4.9	5.2	1.1	0.1
Eastern Switzerland	513.3	507.2	15.2	15.0	5.3	5.2	0.5	3.1
Northwestern Switzerland	1 545.4	1 471.2	41.6	42.2	4.6	4.9	10.1	8.6
Berne	530.7	522.2	15.3	16.4	5.1	5.5	7.7	2.5
Geneva	1 934.9	1 850.7	47.0	47.1	4.2	4.3	2.4	3.6
Western Switzerland	64.1	58.9	1.5	2.2	4.1	6.7	2.2	0.1
Southern Switzerland	109.8	105.0	3.5	3.5	4.9	5.2	0.7	0.9
Subtotal	8 207.4	7 502.1	204.2	200.5	4.6	4.9	5.4	5.0
Properties under construction/development sites	142.6	679.1	–	3.3	n/a	n/a	–	–
Total	8 350.0	8 181.2	204.2	203.8	n/a	n/a	5.4	4.9

Flurpark in Zurich Altstetten

# Spacious dimensions



**The property situated in the up-and-coming Zurich Altstetten district will be renovated by the summer of 2014 for roughly CHF 65 million and oriented toward the needs of tenants looking for spaciousness and demanding high standards in term of quality of the premises.**

The building constructed in 1979 was acquired in 2005 with the takeover of Maag Holding Ltd and has been leased to UBS until end 2012. The fair value of the property was estimated at CHF 95.1 million as at mid 2012, according to Wüest & Partner. The departure by the big bank now provides the opportunity for the building to undergo extensive renovation, modernisation and repositioning. The reconstruction activities will be completed by the summer of 2014. At that time, the revamped building should meet the sophisticated demands of future tenants – with office floor space amounting to roughly 16 000 square metres – and rank among the most state-of-the-art properties in the portfolio. Flurpark will be leased with a high-class core and shell design.

## Sustainable, spacious and representative

The entire renovation project will be carried out according to the Minergie standard. At the same time, significant emphasis

will be directed at efficient building and room technology, high-quality building materials and spacious dimensions. The representative entrance hall spans the height of two full storeys in some areas. Six passenger and freight elevators connect to the office floor space that is allocated to six upper floors. The abundance of outside floor space is especially attractive since most offices also feature spacious loggias and terraces. The future exterior shell will be constructed with a glass façade including integrated shading. The offices are flexibly designed. Consequently, tenants may lease one or more floors together, or individual floors or parts thereof. The ground floor will be home to a kindergarten, restaurant, automated teller machine (ATM) and floor space for planned additional services. The subterranean level comprises roughly 7 500 square metres of storage and archive space for housing of server and additional technical installations.

Flurpark is located at the intersection of Flurstrasse/Badenerstrasse, near the Letzipark shopping centre just a few minutes away on foot. The Altstetten railway station is a 10-minute walk or a short bus ride away, from which it takes 6 minutes to reach Zurich's main railway station and

13 minutes to travel to Zurich Airport by train. There are bus and tram lines located at the building's front door.

## KEY DATA

<b>Address</b>	Flurstrasse 55, 8048 Zurich
<b>Land area</b>	8 270 m <sup>2</sup>
<b>Date of construction (interior renovation)</b>	1979 (2002)
<b>Fair value as at 30.06.2012</b>	CHF 95.1 million
<b>Construction period</b>	summer 2013 – summer 2014*
<b>Investment for total renovation</b>	approx. CHF 65 million
<b>Total rental floor space</b>	approx. 26 000 m <sup>2</sup>
<b>of which office rental floor space</b>	approx. 16 000 m <sup>2</sup>
<b>of which services rental floor space</b>	approx. 2 500 m <sup>2</sup>
<b>of which storage/archive rental floor space</b>	approx. 7 500 m <sup>2</sup>
<b>Information</b>	<a href="http://www.flurpark.ch">www.flurpark.ch</a>

\* subject to building permit

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## AGENDA

### 19.03.2013

Annual report as at 31.12.2012  
with financial statements press conference

### 16.04.2013

Annual General Meeting financial year 2012  
of Swiss Prime Site AG

## SHARE DETAILS

### Share price (01.01.–30.06.2012)

30.06.2012	CHF	79.15
High	CHF	79.40
Low	CHF	69.30

### Market capitalisation

30.06.2012	CHF m	4 318.1
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### NAV before deferred taxes

30.06.2012	CHF	77.26
31.12.2011	CHF	76.72
Change		0.7%

### NAV after deferred taxes

30.06.2012	CHF	63.11
31.12.2011	CHF	63.34
Change		(0.4%)

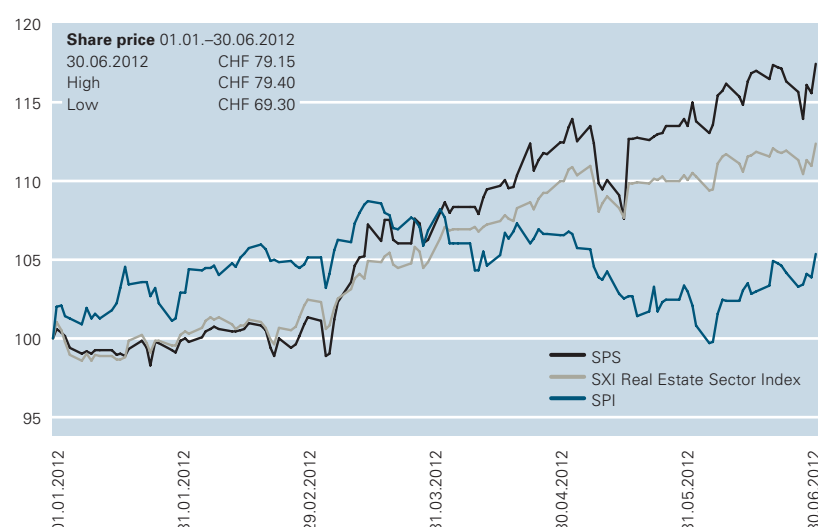
### Earnings per share (weighted)

30.06.2012	CHF	3.31
30.06.2011	CHF	2.81
Change		17.8%

### Share statistics

Total registered shares	54 555 802
Securities number	803 838
ISIN number	CH 000 803 838 9
SIX symbol	SPSN
First trading day	05.04.2000

## DEVELOPMENT OF THE SWISS PRIME SITE SHARE 01.01.–30.06.2012 (REINVESTED)



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