

# swiss prime news



picking the real value



## NAV

CHF 72.04 as at 30.06.2011

CHF 72.11 as at 31.12.2010

before deferred taxes

securities number 803 838

SIX symbol SPSN

Swiss Prime Site AG – first half-year 2011

## Significant boost in profit



Markus Graf, CEO of Swiss Prime Site AG

**Swiss Prime Site succeeded in boosting EBIT by 18.1% to CHF 241.5 million and profit by 41.1% to CHF 152.4 million in the first half of 2011. The value of the real estate portfolio increased by CHF 160.9 million to CHF 8.18 billion in the reporting period. Net asset value (NAV) after deferred taxes amounted to CHF 59.50. The prospects for the further course of the financial year 2011 remain favourable.**

As the leading real estate investment company in Switzerland, Swiss Prime Site AG reaped rewards in the first half-year 2011 from the intact economic environment as well as the synergy effects from the Jelmoli transaction. Both of these factors had a positive impact on the semi-annual results.

Earnings before interest and taxes (EBIT) surged by 18.1% from CHF 204.5 million to CHF 241.5 million, with revaluations contributing CHF 77.8 million [CHF 40.4 million]. Profit including revaluation effects soared by 41.1% to CHF 152.4 million [CHF 108.0 million], resulting in earnings per share of CHF 2.81 [CHF 2.00]. Profit before revaluations jumped by 23.8% to CHF 105.1 million [CHF 84.9 million]. Net asset value (NAV) before deferred taxes amounted to CHF 72.04 [CHF 72.11 on 31.12.2010] and after deferred taxes to CHF 59.50 [CHF 60.14].

The Swiss Prime Site share once again turned in a positive performance. With a closing price of CHF 72.15, the total return amounted to 8.5% in the first half-year (versus the SPI -1.8% and SXI Real Estate Sector Index +8.9%).

The withholding tax-exempt distribution from capital contribution reserves carried out on 28.04.2011 totalled CHF 3.50

per share [CHF 3.50 nominal value reduction]. The distribution corresponds to a cash yield of 5.0%, based on the closing share price at year-end 2010. The weighted average interest rate on all financial liabilities amounted to 2.8% [2.8%], with an average residual term to maturity of 4.2 [3.9] years.

Rental income edged down by 3.6% year on year to CHF 203.8 million [CHF 211.4 million] as a result of higher vacancy rates as well as divestments. Total operating income dipped by 5.7% to CHF 279.1 million [CHF 295.9 million]. The decrease was attributable primarily to the elimination of credit card revenues (CHF 6.8 million) from Jelmoli Bonus Card Ltd, which was divested in the previous year. Net retail trade turnover of CHF 73.7 million [CHF 71.3 million] was generated mainly by Jelmoli – The House of Brands on Zurich's Bahnhofstrasse.

The synergy effects announced at the time of the Jelmoli acquisition had a positive impact on the financial results, leading to a reduction in operating expenses from CHF 69.1 million to CHF 49.4 million and decrease in financial expenses from CHF 73.1 million to CHF 61.1 million.

Continued on page 2



### ARRIVAL

Ernst & Young Ltd has moved into its building at the Maag site.

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### SATISFIED FACES

Tenants are impressed with Prime Tower.

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### RENOVATED STRUCTURE

The Usego property in Olten is gleaming with new radiance.

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In June 2011, Swiss Prime Site succeeded in placing a second convertible bond on the market, with maturity date of 2016 and volume of CHF 190.4 million (including over-allotment option). The 1.875% bond is structured as a traditional five-year convertible bond. The conversion price amounts to CHF 83.97 per share.

#### Retail trade segment

The retail trade segment achieved net turnover of CHF 73.7 million [CHF 71.3 million] in the first half-year 2011, of which CHF 68.8 million [CHF 66.6 million] was generated from retail sales that Jelmoli – The House of Brands realised from proprietary-managed floor space. Jelmoli was expanded into a leading department store last year and presented with the EuroShop Retail Design Award from the EHI Retail Institute in February 2011. The Hotel Ramada Encore in Geneva contributed CHF 5.0 million [CHF 4.7 million] to segment turnover.

#### Real estate portfolio

The real estate portfolio was valued at CHF 8.18 billion as at 30.06.2011 [CHF 8.02 billion on 31.12.2010], comprising 175 existing properties, 12 building land plots and the five development projects Prime Tower, Platform and Maaghof in Zurich, Stücki Business Park 60A–E in Basel and SkyKey in Zurich Oerlikon. Seven properties were divested in the reporting period in line with further optimisation of the portfolio, including the commercial building located at Fegistrasse in Spreitenbach and another commercial building at Kreuzstrasse in Zurich. Total sales proceeds exceeded the fair values of CHF 31.3 million reported as at end-2010, by 5.2%. On 24.01.2011, Swiss Prime Site acquired the SkyKey

project, in which the Company will invest roughly CHF 230 million till summer 2014. Zurich Insurance Company Ltd will be the sole tenant at SkyKey.

The value of the real estate portfolio grew by 2.0% versus the level at end-2010, or by CHF 160.9 million. The increase was attributable to value changes and investments in the projects located at the Maag site in Zurich (CHF +71.1 million) as well as Stücki Business Park in Basel (CHF +5.4 million), value changes for existing properties (CHF +69.4 million) and building land plots (CHF +1.8 million), and the acquisition of the SkyKey development project in Zurich Oerlikon (CHF +44.5 million), in addition to the mentioned divestments (CHF –31.3 million). The value of existing properties increased by 0.9%.

The portfolio split by market region showed only marginal changes. The proportions in Zurich and Geneva increased slightly to 39% and 23% [38% and 22%], respectively. Swiss Prime Site generates most of its rental income from retail spaces (39%) and office spaces (36%) [40% and 36%].

#### Final phase for Prime Tower and Platform

The first tenants were able to take up residence in their floor space in Prime Tower, including Zürcher Kantonalbank – which opened

the doors to its branch office on the ground floor already in June – followed by the business law firm Homburger Ltd, Citibank (Switzerland) Ltd and Swiss & Global Asset Management Ltd.

On the top floors of Prime Tower, the interior design is being constructed for the unique restaurant, lounge and bar as well as conference areas, featuring the fine-dining Clouds restaurant, paving the way for the start-up of operations coinciding with the official opening of the Tower at the end of November 2011.

On June, roughly 1 000 employees of Ernst & Young moved into their new company headquarters in Zurich. The Platform corporate building was constructed according to the specific needs of the firm, fascinating staff, clients and visitors alike with its sophisticated architecture, generous open spaces and high-quality materialisation. The centrepiece of the new building is the seven-storey atrium, which allows an abundance of natural daylight to shine in and highlights the transparent structure of the interior design.

#### New attractive tenants in Stücki shopping centre, Basel

In the Stücki shopping centre, which opened its doors two years ago, Migros is reducing the floor space of its supermarket and opening a restaurant on the upper floor. For the freed-up space, the centre managed to acquire another anchor tenant with Toys“R”Us (in addition to Migros, H & M and Saturn). The US toys and games chain will open a speciality store with floor space of roughly 2 000 square metres in October 2011. Furthermore, two additional fashion shops and a speciality hair-care store will take up residence in the Stücki shopping centre as well.

In the nearby Stücki Business Park, construction of the fifth and final phase is set to be completed in the coming weeks. Negotiations with interested prospective tenants in the region are in an advanced stage.

#### Outlook

The overall robust economy, persistently low interest rates and sound employment situation clear the way for a favourable environment for Swiss Prime Site. Demand for prominent, prime retail and office spaces situated in privileged urban locations is still intact, benefiting real estate companies with an above-average high-quality portfolio. Swiss Prime Site forecasts a loss of earnings rate of around 5% for the second half of 2011 and operating profit (EBIT before revaluation effects) that surpasses the level recorded in the comparable previous year's period.



Roughly 2 300 employees of Zurich Insurance Company Ltd will take up residence in the SkyKey building in the summer of 2014.



The 6200-ton-heavy MFO building will be relocated 60 metres to the west on rollers in March 2012.

#### MFO BUILDING – SPECTACULAR ADDITION TO PORTFOLIO

Swiss Prime Site's real estate portfolio will acquire a spectacular addition in March 2012. The 122-year-old brick structure – which once served as the executive office building of the former tool and machinery factory Oerlikon (MFO) – will be relocated roughly 60 metres to the west, in order to pave the way for the Swiss federal railways' (SBB) planned expansion of the tracks at the Oerlikon train station. The building will then become the property of Swiss Prime Site, which is investing roughly CHF 11 million for its translocation. The investment will have a standard yield, thanks to the inflows of rental income from the building that will accrue to Swiss Prime Site as well.

You can find an animation of the MFO translocation and additional information on the Internet at: [www.swiss-prime-site.ch/mfo](http://www.swiss-prime-site.ch/mfo)

Platform in Zurich

# Move toward new venture pays off

**The roughly 1 000 Zurich-based employees of Ernst & Young Ltd have found an inspiring workplace in the elegant, elongated new building adjacent to Prime Tower.**

Bleicherweg and Brandschenkestrasse are regarded as prime addresses in Zurich city, which are located in the heart of the central business district and situated just a few hundred metres away from the renowned Bahnhofstrasse. Stauffacher is also described as a good urban location. Nevertheless, auditing and consulting firm Ernst & Young Ltd has vacated its premises at these locations, deciding in favour of a totally new, innovative and inspiring local business headquarters: the Platform corporate building at the Maag site.

Two factors played a decisive role in 2007 that triggered this major move: the excellent, well-positioned location in the up-and-coming Zurich West district, as well as the quality of a project that ideally fulfilled the company's floor space needs, with impressive architecture all around. «The departure from the city centre is also a venture into a new working environment and future-oriented social ambience,» declares Dr. Thomas Sauber, head of the new Zurich headquarters and responsible for the Platform project on behalf of Ernst & Young Ltd. One favourable side effect of the new residence: rent costs are considerably lower than the previous levels.

Although all the participants involved encountered numerous crossroads along the journey from the initial conceptual blueprints developed by Swiss Prime Site to the final details of the interior design, the objective was achieved in the end. «I have felt quite upbeat since my first day of work in Platform and appreciate the spontaneous free exchange of information among my colleagues,» according to Mr. Sauber's report card, in the wake of the

first weeks. The tasteful and timeless state-of-the-art interior design has been completed, so now only the artwork remains.

**Further appreciation thanks to new Hardbrücke railway station**

The roughly 1 000 employees working in, and visitors to, Platform have access to around 20 000 m<sup>2</sup>. Nevertheless, only an average of about one-third of the workforce is present at any given time. The office floor space includes 26 conference rooms, an auditorium, a library, a personnel restaurant and a cafeteria. The focal point of the building is the atrium-like concept of the lobby, which extends upward through all seven floors, allowing an abundance of natural daylight to shine in.

There is direct access to the Hardbrücke railway station right next to the main entrance. The railway station will be significantly expanded in the coming years, according to plans developed by Gigon/Guyer – the same architects that designed Platform and Prime Tower – with a concept adapted to an estimated stream of passengers of 90 000 per day. The Zurich headquarters of Ernst & Young Ltd is therefore located in direct proximity to this Swiss railway station, boasting the seventh-highest daily passenger frequency rate in the country in just a few years. Thanks to the «in-house» railway platform access, Zurich's main railway station or airport in Kloten are accessible in just a few minutes by train.

Peter Lehmann, Chief Investment Officer of Swiss Prime Site AG, comments on the successful completion of the Platform corporate building located at the Maag site as follows: «From its inception, Platform was born under an auspicious star. We had the right idea, found the ideal tenant and chose the best partners for the implementation with Gigon/Guyer Architects and HRS Real Estate Ltd.»

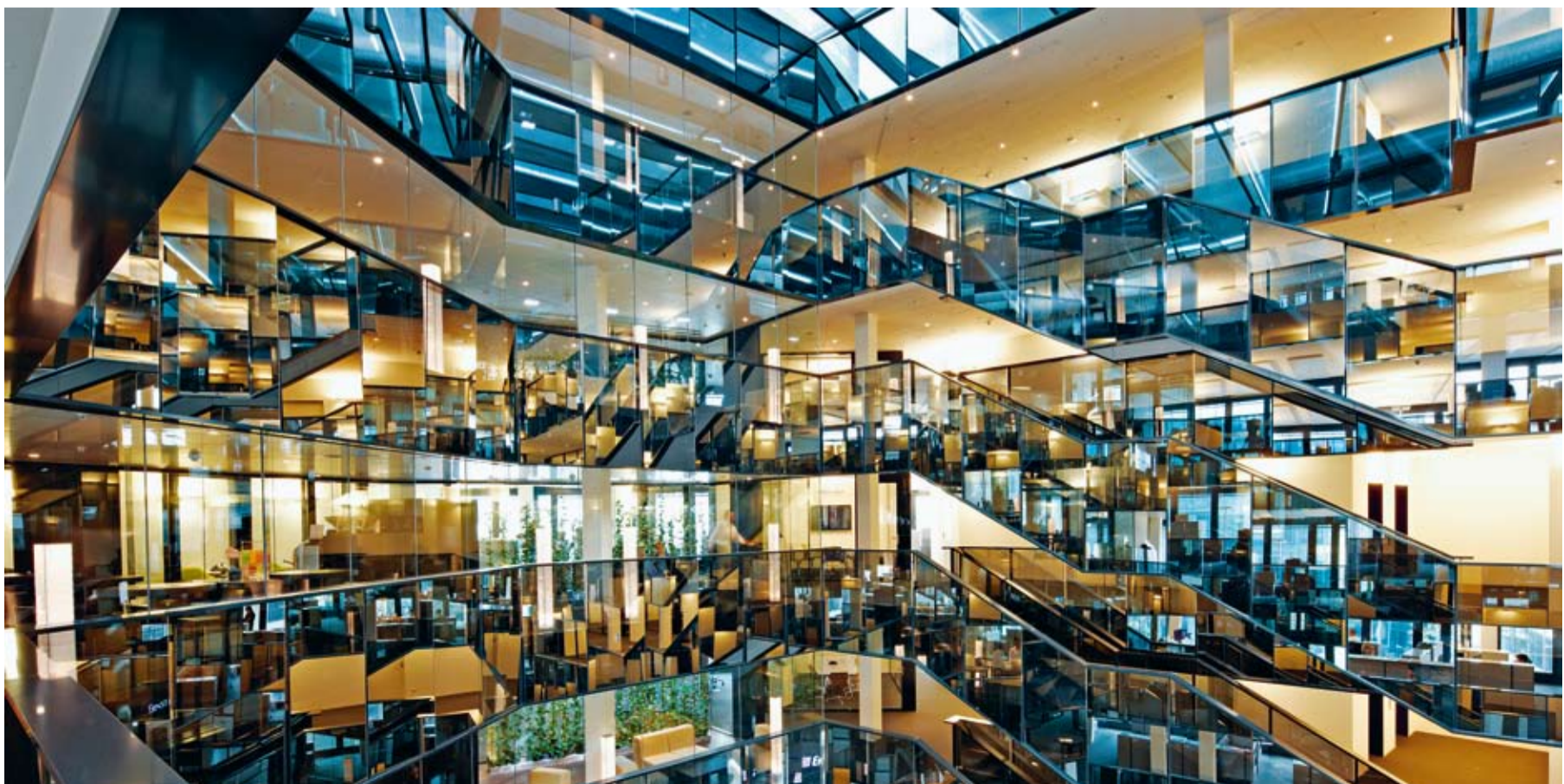


Dr. Thomas Sauber, head of the new Zurich headquarters of Ernst & Young Ltd: «Platform represents more to me than purely a workplace, because in a building where 1 000 people are mutually engaged there should also be space for personal encounters.»

**PLATFORM: KEY DATA**

<b>Address</b>	Maagplatz 1, 8005 Zurich
<b>Construction phase</b>	January 2009 to July 2011
<b>Total rental floor space</b>	20 500 m <sup>2</sup>
<b>Workplaces*</b>	around 1 000
<b>Conference rooms*</b>	26
<b>Auditorium*</b>	140 seats
<b>Personnel restaurant*</b>	160 seats
<b>Cafeteria*</b>	60 seats
<b>Parking places*</b>	56 (of which 9 for visitors)
<b>Architect</b>	Gigon/Guyer Architects, Zurich
<b>Total services contractor</b>	HRS Real Estate Ltd., Frauenfeld

\* in floor space Ernst & Young Ltd



The building's focal point is the entrance hall conceptualised as an atrium.

Prime Tower in Zurich

# Satisfied faces all around

**Prime Tower really does live up to its name. In addition to its towering height, the occupancy rates have proven to be phenomenal as well. And the tenants all confirm that the exemplary architecture indeed captures the spirit of the times.**

Tenants have been moving into their leased floor space in Prime Tower, one after the other, since mid-2011. Switzerland's tallest building is gradually coming to life, and the official inauguration ceremony will take place at the end of November 2011. So what do the tenants that have taken up residence at one of the most exclusive addresses in Switzerland have to say in their first report card?

## Panoramic view, architecture, interior design and ecology

«The view is breathtaking. The very impressive architecture from both an urban and aesthetic perspective paves the way for efficient utilisation of the leased floor space,» praises Dr. Marcel Dietrich, partner at Homburger Ltd. The business law firm, with more than 120 attorneys and tax advisors, had already concluded the lease even before the construction start-up date and ranks as one of the anchor tenants in Prime Tower. «We decided in favour of Prime Tower because we were impressed with the project and were bursting at the seams at our old location,» recalls Mr. Dietrich.

«Prime Tower fulfills all the criteria for an ideal working environment as well as for the utmost ecological standards, additionally offering comfortable proximity to transportation for customers and employees.» With these words, Marco Bizzozero justified the decision favouring the new location. The CEO of Deutsche Bank (Switzerland) Ltd is impressed with the state-of-the-art architecture that opens the door to a pleasant spatial climate and abundant daylight, in addition to an open design that fosters communications. «According to the example of our group headquarters in Frankfurt, Germany, we aim to implement the new db workplace concept that reflects Deutsche Bank's requisite needs of the workplace of the future,» declares Mr. Bizzozero.

Zürcher Kantonalbank (ZKB) is also banking on the powerful aura and innovative spirit emanating from the structure. «The ZKB branch office in Prime Tower has been designed according to a new concept that has so far been implemented in just a few branches,» confirms branch manager Benjamin Witztum. The branch office is distinguished by a very expansive ATM zone and spacious client advisory area. Mr. Witztum

describes the greatest challenge as achieving the objective of continuing to provide services at the new location to long-time clientele from the, in the interim, closed Wipkingen branch office.

## Fascination with Zurich West

Tenants moving into Prime Tower are looking for more than just office floor space. As the highest building in Switzerland, Prime Tower has actually achieved cult-like status, which can only be advantageous for the tenants. «The Prime Tower brand is renowned throughout Switzerland and, in turn, the location of our ZKB branch office too,» states ZKB branch manager Benjamin Witztum.

«We enjoy the pulsating and dynamic local district, especially the multifaceted restaurant and bar scene in and around Prime Tower,» says the Homburger partner Mr. Dietrich. Deutsche Bank CEO Marco Bizzozero conveys a similar comment: «It is important for us to be able to offer our employees shopping opportunities, sports facilities and a vast array of restaurants, cafés and bars as well as attractive cultural activities.»

ZKB branch manager Benjamin Witztum foresees further growth in the local workforce and number of residents emanating from the upswing in Zurich West. The microcosm surrounding the Hardbrücke railway station – with high pedestrian traffic rates already today – in addition to the attractiveness of Prime Tower speak in favour of the new location.

## A taste of New York

Totally regardless of which of the 35 floors a visitor encounters, he/she cannot evade the elegantly styled entrance and lobby area. This is precisely where Emil Looser and partners have established a counterpoint by not just simply setting up a mere bar, but rather the bar «Hotel Rivington & Sons». «We were inspired by New York City and have built a bar reminiscent of the 1930s, with influences from the 1940s and 1950s as well,» reveals Mr. Looser. The design of the walls and ceilings, lighting, mirrors, bathroom fixtures and other elements constructed of wood, brass or glass actually originate from this epoch and were uncovered in New York by the operators of the new bar and transported to Zurich just for Prime Tower.

«We have been searching for a contrast to the vivid architecture of Prime Tower,» clarifies Mr. Looser. It's an exciting

opportunity to be able to design a room in Switzerland's tallest building together with the team of Gigon/Guyer. Such a unique type of bar is oriented toward a broad spectrum of guests. Indeed, while occasional customers in a hurry may indulge in an Italian espresso standing up, other guests can sit comfortably with a beer or cocktail. The bar will also offer snacks and light cuisine. And a concert will be featured once a month. «There are some real gems among the artists that I cannot just let slip away,» declares Mr. Looser.



## Clouds opens its doors at end of November 2011

You don't have to be a tenant to experience the fascination of Prime Tower. The restaurant, café and bar situated on the 35<sup>th</sup> floor will open their doors to the public at end of November 2011. Guests of Clouds can then choose from among the fine-dining restaurant under the management of star chefs David Martinez Salvany and Antonio Colaianni, or the Bistro Bar, the Lounge or various rooms available for private or business events. The atmosphere features quality, enjoyment and lifestyle at the utmost sophisticated level – in the Bistro Bar and Lounge on Fridays and Saturdays, even until 02.30.

[www.clouds.ch](http://www.clouds.ch)

## «FOR US, PRIME TOWER MEANS ...



Marco Bizzozero, Chief Executive Officer, Deutsche Bank (Switzerland) Ltd

... the embodiment of innovation, transparency and sustainability. Hence, the Tower superbly matches the way we perceive our Private Wealth Management business.»



Dr. Marcel Dietrich, partner Homburger Ltd

... a pleasant change of scenery that has put us all in a euphoric mood.»



Benjamin Witztum, branch manager ZKB Prime Tower

... a motivating location with charisma.»



Emil Looser, co-operator of the bar «Hotel Rivington & Sons»

... it's not small in stature!»



# Excerpt from the semi-annual report

## CONSOLIDATED INCOME STATEMENT

in CHF 1 000	01.01.–30.06.2011	01.01.–30.06.2010
Rental income from investment properties	203 789	211 435
Proceeds of property sales, net	765	(1 126)
Retail trade turnover, net	73 748	71 318
Sales proceeds from investments	–	4 384
Other operating income	819	9 871
<b>Operating income</b>	<b>279 121</b>	<b>295 882</b>
Real estate costs	31 310	28 158
Cost of goods sold	34 681	34 451
<b>Direct operating expenses</b>	<b>65 991</b>	<b>62 609</b>
Personnel costs	19 221	28 082
Other operating expenses	21 986	28 238
Depreciation, amortisation and impairments	8 213	12 803
<b>Operating expenses</b>	<b>49 420</b>	<b>69 123</b>
Revaluation of investment properties, properties under construction and development sites, net	77 797	40 385
<b>Operating profit (EBIT)</b>	<b>241 507</b>	<b>204 535</b>
Financial expenses	61 146	73 098
Financial income	1 547	5 692
Income from investments in associates	11 140	989
<b>Profit before income taxes</b>	<b>193 048</b>	<b>138 118</b>
Income tax expense	40 649	29 327
<b>Profit</b>	<b>152 399</b>	<b>108 791</b>
<b>Profit attributable to shareholders of Swiss Prime Site AG</b>	<b>152 399</b>	<b>108 036</b>
<b>Profit attributable to non-controlling interests</b>	<b>–</b>	<b>755</b>
<b>Earnings per share, in CHF</b>	<b>2.81</b>	<b>2.00</b>
<b>Diluted earnings per share, in CHF</b>	<b>2.61</b>	<b>1.91</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

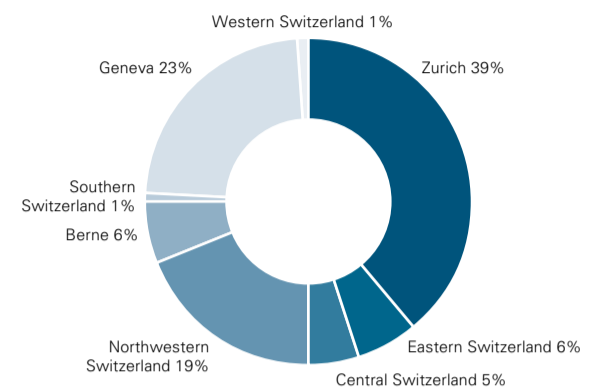
in CHF 1 000	01.01.–30.06.2011	01.01.–30.06.2010
<b>Profit</b>	<b>152 399</b>	<b>108 791</b>
Revaluation of owner-occupied properties	3 226	3 222
Deferred taxes on revaluation of owner-occupied properties	(739)	(741)
<b>Other comprehensive income</b>	<b>2 487</b>	<b>2 481</b>
<b>Comprehensive income</b>	<b>154 886</b>	<b>111 272</b>
<b>Comprehensive income attributable to shareholders of Swiss Prime Site AG</b>	<b>154 886</b>	<b>110 517</b>
<b>Comprehensive income attributable to non-controlling interests</b>	<b>–</b>	<b>755</b>

## CONSOLIDATED BALANCE SHEET

in CHF 1 000	30.06.2011	31.12.2010
Cash	8 452	9 800
Securities	1 242	1 285
Accounts receivable	117 138	97 486
Other current receivables	30 854	15 595
Current income tax assets	1 929	2 688
Inventories	22 484	23 287
Accrued income and prepaid expenses	24 916	20 405
Assets held for sale	98 497	130 625
<b>Total current assets</b>	<b>305 512</b>	<b>301 171</b>
Other non-current receivables	6 375	–
Net pension plan assets	550	–
Non-current financial investments	2 029	2 029
Investments in associates	22 913	12 613
Investment properties and building land	7 122 948	7 051 166
Properties under construction and development sites	679 130	558 070
Owner-occupied properties	280 647	280 423
Tangible assets	46 846	45 583
Goodwill	36 010	36 010
Intangible assets	30 048	30 319
<b>Total non-current assets</b>	<b>8 227 496</b>	<b>8 016 213</b>
<b>Total assets</b>	<b>8 533 008</b>	<b>8 317 384</b>
Accounts payable	6 484	6 143
Current financial liabilities	729 861	918 367
Other current liabilities	32 508	30 295
Advance payments	89 077	83 216
Current income tax liabilities	27 312	30 152
Accrued expenses and deferred income	70 741	57 833
<b>Total current liabilities</b>	<b>955 983</b>	<b>1 126 006</b>
Non-current financial liabilities	3 646 160	3 256 351
Other non-current financial liabilities	16 875	17 411
Deferred tax liabilities	681 310	650 083
Net pension provision obligation	355	355
<b>Total non-current liabilities</b>	<b>4 344 700</b>	<b>3 924 200</b>
<b>Total liabilities</b>	<b>5 300 683</b>	<b>5 050 206</b>
Share capital	831 841	831 841
Capital reserves	1 102 308	1 292 047
Revaluation reserves	11 489	9 002
Retained earnings	1 286 687	1 134 288
<b>Shareholders' equity attributable to shareholders of Swiss Prime Site AG</b>	<b>3 232 325</b>	<b>3 267 178</b>
Non-controlling interests	–	–
<b>Total shareholders' equity</b>	<b>3 232 325</b>	<b>3 267 178</b>
<b>Total liabilities and shareholders' equity</b>	<b>8 533 008</b>	<b>8 317 384</b>

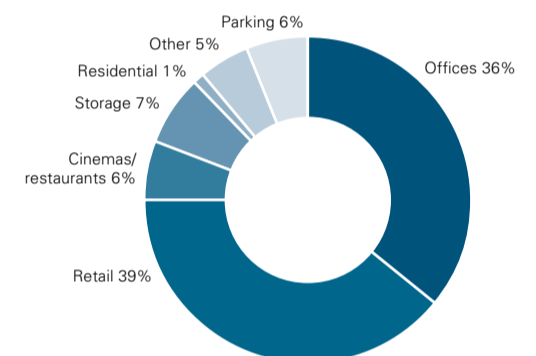
## PORTFOLIO SPLIT BY REGION

Basis: fair value as at 30.06.2011



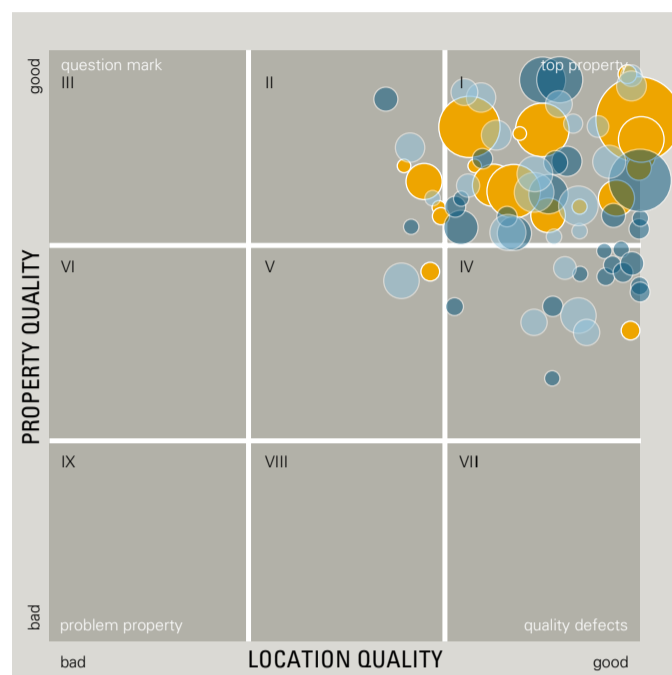
## PORTFOLIO SPLIT BY TYPE OF USE

Basis: net rental income as at 30.06.2011



## MARKET MATRIX: MARKET ASSESSMENT OF INDIVIDUAL PROPERTIES

As at 30.06.2011, source: Wüest & Partner AG



- properties with office use > 66%; fair value > CHF 20 million
- properties with retail use > 66%; fair value > CHF 20 million
- properties with mixed use; fair value > CHF 20 million

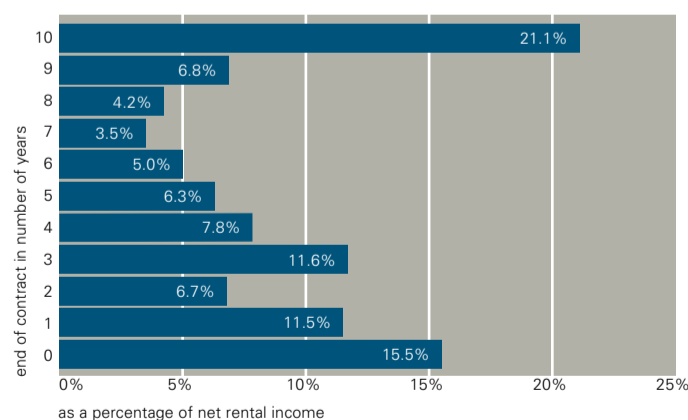
### LARGEST TENANTS

As at the balance sheet date 30.06.2011, the five largest external tenant groups accounted for 29.0% [30.0%] of future rental income. The individual tenants all boast good credit ratings, particularly the following companies:

	30.06.2011 share in %		30.06.2010 share in %
Coop	9.6	Coop	9.7
Migros	5.6	UBS	6.2
UBS	5.2	Migros	5.3
Credit Suisse Group	4.7	Swisscom	4.5
Swisscom	3.9	Credit Suisse Group	4.3

### LEASE EXPIRY PROFILE

Basis: net rental income as at 30.06.2011



## 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
<b>As at 01.01.2010</b>	<b>1 022 132</b>	<b>1 296 925</b>	<b>3 105</b>	<b>899 247</b>	<b>3 221 409</b>	<b>33 837</b>	<b>3 255 246</b>
Profit	-	-	-	108 036	108 036	755	108 791
Revaluation of owner-occupied properties	-	-	3 222	-	3 222	-	3 222
Deferred taxes on revaluation of owner-occupied properties	-	-	(741)	-	(741)	-	(741)
Other comprehensive income	-	-	2 481	-	2 481	-	2 481
<b>Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2 481</b>	<b>108 036</b>	<b>110 517</b>	<b>755</b>	<b>111 272</b>
Issue of 1.875% convertible bond on 20.01.2010, equity component	-	1 662	-	-	1 662	-	1 662
Conversion of employee options on 25.03.2010	-	5 408	-	-	5 408	-	5 408
Squeeze-out on 12.05.2010	-	32 154	51	-	32 205	(32 205)	-
Disposal of investments on 28.05.2010	-	-	-	-	-	(2 387)	(2 387)
Nominal value reduction on 12.07.2010	(190 291)	160	-	-	(190 131)	-	(190 131)
Purchase of treasury shares	-	(44 695)	-	-	(44 695)	-	(44 695)
Sale of treasury shares	-	332	-	-	332	-	332
<b>As at 30.06.2010</b>	<b>831 841</b>	<b>1 291 946</b>	<b>5 637</b>	<b>1 007 283</b>	<b>3 136 707</b>	<b>-</b>	<b>3 136 707</b>
Profit	-	-	-	127 005	127 005	-	127 005
Revaluation of owner-occupied properties	-	-	4 370	-	4 370	-	4 370
Deferred taxes on revaluation of owner-occupied properties	-	-	(1 005)	-	(1 005)	-	(1 005)
Other comprehensive income	-	-	3 365	-	3 365	-	3 365
<b>Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>3 365</b>	<b>127 005</b>	<b>130 370</b>	<b>-</b>	<b>130 370</b>
Share-based payments	-	517	-	-	517	-	517
Purchase of treasury shares	-	(416)	-	-	(416)	-	(416)
<b>As at 31.12.2010</b>	<b>831 841</b>	<b>1 292 047</b>	<b>9 002</b>	<b>1 134 288</b>	<b>3 267 178</b>	<b>-</b>	<b>3 267 178</b>
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
<b>Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2 487</b>	<b>152 399</b>	<b>154 886</b>	<b>-</b>	<b>154 886</b>
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
<b>As at 30.06.2011</b>	<b>831 841</b>	<b>1 102 308</b>	<b>11 489</b>	<b>1 286 687</b>	<b>3 232 325</b>	<b>-</b>	<b>3 232 325</b>

## SELECTED KEY FIGURES

	Details in	30.06.2011	30.06.2010	Change in %
Rental income	CHF m	203.8	211.4	(3.6)
Retail trade turnover, net	CHF m	73.7	71.3	3.4
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	CHF m	249.7	217.3	14.9
Earnings before interest and taxes (EBIT)	CHF m	241.5	204.5	18.1
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	152.4	108.0	41.1
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	154.9	110.5	40.2
Shareholders' equity attributable to shareholders of Swiss Prime Site AG	CHF m	3 232.3	3 136.7	3.0
Equity ratio	%	37.9	36.8	3.0
Borrowed capital	CHF m	5 300.7	5 387.0	(1.6)
Borrowed capital ratio	%	62.1	63.2	(1.7)
ROE (weighted)	%	9.4	6.8	38.2
ROIC (weighted)	%	5.1	4.3	18.6

### Figures without revaluation effects\*

Earnings before interest and taxes (EBIT)	CHF m	163.7	164.2	(0.3)
Profit attributable to shareholders of Swiss Prime Site AG	CHF m	105.1	84.9	23.8
Comprehensive income attributable to shareholders of Swiss Prime Site AG	CHF m	105.1	84.9	23.8
Earnings per share (weighted)	CHF	1.93	1.57	22.9
ROE (weighted)	%	6.6	5.4	22.2

\* 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 %	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010	30.06.2011	30.06.2010	30.06.2011	30.06.2010
Zurich	2 595.9	2 704.3	63.1	67.0	5.0	5.1	5.8	4.0
Central Switzerland	391.0	415.0	11.0	12.4	5.2	5.6	0.1	0.3
Eastern Switzerland	507.2	500.1	15.0	15.1	5.2	5.5	3.1	3.3
Northwestern Switzerland	1 471.2	1 535.5	42.2	44.0	4.9	5.0	8.6	7.3
Berne	522.2	563.2	16.4	17.3	5.5	5.4	2.5	2.8
Geneva	1 850.7	1 777.3	47.1	47.0	4.3	4.5	3.6	3.0
Western Switzerland	58.9	97.8	2.2	3.4	6.7	5.9	0.1	2.3
Southern Switzerland	105.0	107.1	3.5	3.7	5.2	5.5	0.9	0.5
<b>Subtotal</b>	<b>7 502.1</b>	<b>7 700.3</b>	<b>200.5</b>	<b>209.9</b>	<b>4.9</b>	<b>5.0</b>	<b>5.0</b>	<b>4.0</b>
Properties under construction/development sites	679.1	437.2	3.3	1.5	n/a	n/a	-	-
<b>Total</b>	<b>8 181.2</b>	<b>8 137.5</b>	<b>203.8</b>	<b>211.4</b>	<b>n/a</b>	<b>n/a</b>	<b>4.9</b>	<b>4.0</b>

Usego site in Olten

# Highlight to the west

**The extensive and diligent renovation of the historical Usego building will be concluded at the end of September 2011. The bright spaces are suitable for tenants that are on the lookout for considerable comfort and convenience, stylish ambiance and easy proximity to transportation. The retail floor space has already been leased.**

The building complex located at Solothurnerstrasse 231/233/235 has been gleaming with a touch of new radiance recently, equally captivating the tenants, visitors and users of the main street Egerkingen–Olten alike: the headquarters of the former Usego. The complex has undergone an extensive renovation in the past two years, subject to upgrading the historical building structure. Today, the building offers more than 11 000 m<sup>2</sup> of brightly illuminated, various-sized rooms, with a vast array of utilisation according to need.

## Cantonal police and trust company as anchor tenants

Included among the office and commercial tenants that have leased floor space in the prominent property are the Solothurn can-

tonal police department, Conz Treuhand AG, a boutique as well as a jeweller. The retail space totalling 2 740 m<sup>2</sup> on the ground and first floors has already been leased. Sport Lager, an outlet for sporting goods, will take up residence as at end of September 2011 (2 200 m<sup>2</sup>). The remaining floor space will be occupied by STEG Electronics AG, a computer and electronics shop.

Thanks to rapid access to the A1 and A2 highways via the new bypass, abundant parking space with 250 places and its own bus station right at the front door (with eight minutes travel time to the Olten railway station), the Usego building is also suitable for doctor's offices, fitness and wellness centres, exhibitions and classrooms, or cultural facilities. Prospective tenants from these sectors that are interested in leasing floor space have already submitted enquiries.

The results of the restructuring and renovation project are impressive. The Usego building, now redesigned in the colours white and grey from top to bottom, is once again showing its best side.



## KEY DATA

Property area	12 922 m <sup>2</sup>
Date of construction (renovation)	1907 (2009 – 2011)
Fair value as of 30.06.2011	CHF 16.1 million
Total rental floor space	11 314 m <sup>2</sup>
Office and commercial rental floor space	7 170 m <sup>2</sup>
Retail rental floor space	2 780 m <sup>2</sup>
Parking places	250



Usego was founded in 1907 as a central procurement and logistics company by independent retailers in Switzerland. The company was a direct competitor of the cooperatives (today Coop) at the time and later Migros as well. Starting in 1910, the enterprise was officially renamed the «Union Schweizerische Einkaufs-Gesellschaft Olten», from which the acronym Usego derives. The Usego building in Olten served as the company's headquarters and logistics centre for supplying up to 4 000 Usego shops.

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## AGENDA

### 22 March 2012

Annual Report as at 31.12.2011  
with financial statements press conference

### 19 April 2012

Annual General Meeting financial year 2011  
of Swiss Prime Site AG

## SHARE DETAILS

### Share price (01.01.–30.06.2011)

30.06.2011	CHF	72.15
High	CHF	73.75
Low	CHF	66.20

### Market capitalisation

30.06.2011	CHF m	3 922.7
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### NAV before deferred taxes

30.06.2011	CHF	72.04
31.12.2010	CHF	72.11
Change		(0.1%)

### NAV after deferred taxes

30.06.2011	CHF	59.50
31.12.2010	CHF	60.14
Change		(1.1%)

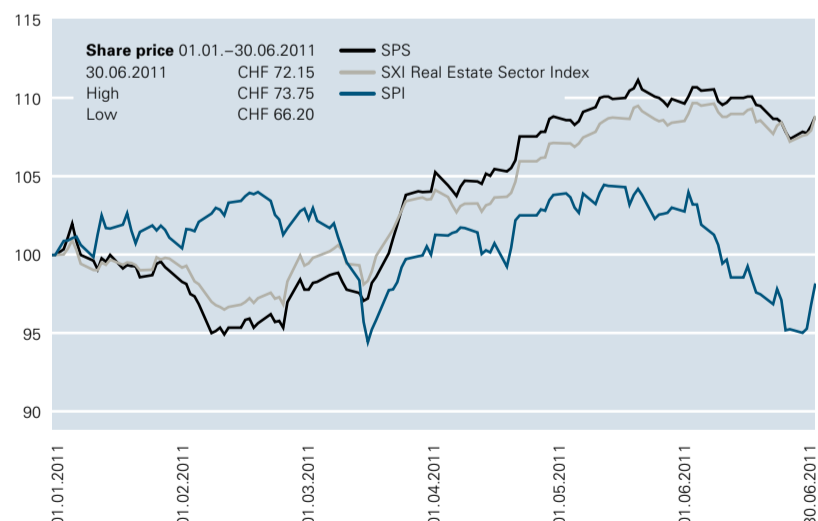
### Earnings per share (weighted)

30.06.2011	CHF	2.81
30.06.2010	CHF	2.00
Change		40.5%

### Share statistics

Total registered shares	54 368 714
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.–30.06.2011 (REINVESTED)



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