



Swiss Life REF (CH) Swiss Properties: Close of the financial year 2017/2018 and the coming capital increase

14 November 2018

- Realised gains increased by 1.9% year-on-year to CHF 14.2 million.
- The distribution has remained constant since the fund launch and amounted to CHF 2.60 for the past financial year.
- The capital increase will take place in November/December 2018. The issue price has been set at CHF 108.00.

The real estate fund portfolio was expanded by two properties in the previous financial year and comprised 48 properties with a market value of around CHF 674 million at the end of the financial year. The properties once again appreciated in value, with their market value increasing by 2.4% or CHF 15.3 million. The chief value driver was the continuing strong investor demand for high-value properties in good locations, especially for residential use. A portion of the appreciation can be ascribed to investments.

Thanks to the focus on good locations combined with an active lettings management, the vacancy rate was reduced to 2.6%. Rentals received (gross earnings posted) rose by 2.2% to CHF 29.3 million. Realised gains as at 30 September 2018 increased by 1.9%, from CHF 13.9 million to CHF 14.2 million. Investors receive a distribution of CHF 14.0 million in total, which equates to CHF 2.60 per share. Distribution has thus remained

stable and sustainable since the fund was launched. The yield on distribution (based on the off-exchange price as at 30 September 2018) is 2.17%.

Capital increase announced

The real estate fund is planning a capital increase with a volume of around CHF 380 million. The issue will take place on commission ("best-effort basis") as part of a subscription offer in Switzerland. Three (3) subscription rights entitle investors to acquire two (2) new units. The issue price of CHF 108.00 is based on the net asset value as at 30 September 2018 less the distribution for the 2017/18 financial year. It includes the purchase of current income and an issuing commission of 2.0%. Any non-subscribed units will not be issued, which may reduce the amount of the issue. In total, a maximum of 3 600 000 new units will be issued. The subscription period is planned for 21 November to 3 December 2018 with payment as of 10 December 2018.

Purchase of a high-quality property portfolio

The new capital will finance the acquisition of a portfolio with 38 properties and a volume of around CHF 500 million. The new portfolio is currently owned by Swiss Life Ltd. It has a focus on high-quality residential properties with excellent locations in economically strong regions.

Following the acquisition of the portfolio, the fund will have a total of 86 properties with more than 1800 apartments. As a result, investors will benefit from broader diversification in terms of properties and tenants. A listing on the SIX Swiss Exchange is planned before the end of 2019.

Information about the capital increase

Name	Swiss Life REF (CH) Swiss Properties
ISIN Swiss security number	CH0293784861 29378486 (fund unit) CH0435240319 43524031 (subscription right)
Legal form of the real estate fund	Contractual investment fund governed by Swiss law of the “real estate fund” type for qualified investors
Previous number of units	5 400 000
Subscription ratio Newly issued units	Three (3) subscription rights entitle investors to acquire two (2) new units Maximum of 3 600 000 units
Issue volume	Around CHF 380 million
Subscription period	Wednesday, 21 November 2018 to Monday, 3 December 2018
Payment under subscription	Monday, 10 December 2018
Issue price	CHF 108.00
Issuing commission	The issuing commission for the new units is 2.0 % in favour of the fund management.
Nature of issue	The issue will take place on a best-effort basis.
Appropriation of issue proceeds	The issue proceeds will be used to acquire a real estate portfolio worth around CHF 500 million.
Listing	The fund is to be listed on the SIX Swiss Exchange, most likely by the end of 2019.
Portfolio manager	Swiss Life Asset Management Ltd, Zurich
Fund management company	Swiss Life Asset Management Ltd, Zurich
Custodian bank	UBS Switzerland AG, Zurich
Disclaimer	The real estate fund outlined is exclusively for qualified investors located in Switzerland. Comprehensive information on the real estate fund mentioned can be taken from the relevant financial report as well as from the documents forming the legal basis for any investment. They may be ordered free of charge in electronic or printed form from the fund management company Swiss Life Asset Management Ltd, General-Guisan-Quai 40, P.O. Box 2831, 8022 Zurich, or at www.swissfunddata.ch and at www.swisslife-am.com . The payment office is UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich. The place of jurisdiction is at the fund management company's registered office.

Information

Media Relations

Phone +41 43 284 77 77
media.relations@swisslife.ch

www.swisslife-am.com



Swiss Life Asset Managers

Swiss Life Asset Managers has more than 160 years of experience in managing the assets of the Swiss Life Group. This insurance background has exerted a key influence on the investment philosophy of Swiss Life Asset Managers, which is governed by such principles as value preservation, the generation of consistent and sustainable performance and a responsible approach to risks. Swiss Life Asset Managers offers this proven approach to third-party clients in Switzerland, France, Germany, Luxembourg and the UK. As at 30 June 2018 assets under management for third-party clients amount to CHF 64.6 billion. Together with insurance mandates for the Swiss Life Group, total assets under management at Swiss Life Asset Managers stood at CHF 225.1 billion. Swiss Life Asset Managers is the leading real estate manager in Europe¹. Of the assets totaling CHF 225.1 billion, CHF 54.4 billion is invested in real estate. In addition, Swiss Life Asset Managers has real estate under administration of CHF 29.2 billion through its subsidiaries Livit and Corpus Sireo. Total real estate under management and administration at the end of June 2018 thus came to CHF 83.6 billion. Swiss Life Asset Managers employs about 1600 people in Europe.

¹ PropertyEU, Top 100 Investors, October 2015, 2016 and 2017