

Annual financial statements of Credit Suisse real estate funds as of December 31, 2022

Zurich, March 7, 2023 – **Credit Suisse Funds AG's Swiss real estate funds kept distributions constant and strengthened their portfolios in a fundamentally solid fiscal year ending December 31, 2022. However, corrections in stock market prices for real estate funds impacted all three funds and led to fund performance between –17.7% and –27.7%.**

Credit Suisse Real Estate Fund Green Property sees reduced vacancy rate

Credit Suisse Real Estate Fund Green Property (CS REF Green Property, securities no. 10077844) achieved an investment return of 5.1% for fiscal year 2022 (previous year: 4.6%). The fair value of the properties rose to CHF 3,236.4 mn (previous year: CHF 3,045.9 mn) owing to new construction projects and revaluations of existing properties. The average discount rate fell in this regard from 2.9% to 2.8%. The rate of loss of rental income decreased to 3.8% (previous year: 4.4%). The distribution per unit remains constant at CHF 3.40 (previous year: CHF 3.40). The debt ratio was 21.6% and the premium fell from 48.1% to 2.7%. Accordingly, this resulted in a performance of –27.7%, which underperformed its benchmark (SXI Real Estate Funds Broad: –15.2%).

In 2022, CS REF Green Property acquired one business property as part of a realignment in Schlieren. There are a number of construction projects that are currently very close to being completed. The Parco Brentani project in Lugano, Allverte in Allschwil, Breitipark in Schaffhausen, the expansion of Lokwerk in Winterthur, and Cosmos in Dübendorf are all on schedule and will be completed this year. The development of Tivoli Garten in Spreitenbach is expected to be generating revenue from mid-2024. For strategic reasons, a commercial property in Arbon was sold in 2022. CS REF Green Property participated in the global sustainability benchmarking GRESB and achieved three out of five possible stars.

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Credit Suisse Real Estate Fund Hospitality produces investment return of 6.4%

Credit Suisse Real Estate Fund Hospitality (CS REF Hospitality, securities no. 11876805) achieved an investment return of 6.4% for fiscal year 2022 (previous year: 4.3%). The fair values of the properties increased to CHF 862.5 mn (previous year: CHF 775.5 mn) owing to purchases of three properties and revaluations of existing properties. The average discount rate fell in this regard from 3.2% to 3.1%. The rate of loss of rental income decreased to 0.2% (previous year: 1.3%). The distribution per unit remains constant at CHF 2.50 (previous year: CHF 2.50). The debt ratio was 21.0%. The premium of 2.6% from last year changed to a discount of 20.5% amid negative impacts on Swiss real estate funds listed on the SIX Swiss Exchange. Accordingly, this resulted in a performance of –17.7%, which was slightly below its benchmark (SXI Real Estate Funds Broad: –15.2%). As of December 31, 2022, redemptions were received for 51,298 units, representing 0.6% of the units outstanding. The redeemed units are expected to be converted in March 2024, subject to the standard notice period.

CS REF Hospitality acquired one property each in Lausanne, Chur, and Carouge in 2022. A renovation and conversion of the high-rise on Schulstrasse 44 in Zurich-Oerlikon is underway. When completed in fall 2024, the building will be a "Mama Shelter"-branded lifestyle hotel with 174 rooms and 124 new apartments. CS REF Hospitality participated in the global sustainability benchmarking GRESB and achieved two out of five possible stars.

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Credit Suisse Real Estate Fund LivingPlus reduces vacancy rate to 2.6%

Credit Suisse Real Estate Fund LivingPlus (CS REF LivingPlus, securities no. 3106932) achieved an investment return of 4.0% for fiscal year 2022 (previous year: 5.7%). The fair value of the properties increased to CHF 3,123.9 mn (previous year: CHF 3,044.5 mn). The average discount rate fell from 3.1% to 3.0%. The rate of loss of rental income decreased to 2.6% (previous year: 4.4%). This reflects the lowest vacancy rate since the fund was launched in December of 2007. The distribution per unit remains constant at CHF 3.60 (previous year: CHF 3.60). The debt ratio was 20.7%. Over the course of the year, the premium fell from 60.3% in the previous year to 20.4% as of December 31, 2022. Accordingly, this resulted in a performance of -22.8% which underperformed its benchmark (SXI Real Estate Funds Broad: -15.2%).

CS REF LivingPlus acquired one residential construction project in Petit-Lancy in 2022. This project along with further projects in Bad Zurzach and Lugano make up the three current new construction projects in the fund's portfolio. Two properties in Diessenhofen and Niederrohrdorf were sold significantly above market value. CS REF LivingPlus participated in the global sustainability benchmarking GRESB and achieved three out of five possible stars.

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Key figures of CS REF Green Property (security no. 10077844)

Fiscal year concluded		Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Fair value of the real estate	CHF	3,236.4 mn	3,045.9 mn	2,806.3 mn
Debt ratio as% of fair values ¹		21.63%	18.98%	13.35%
Net asset value per unit (incl. distribution)	CHF	122.03	119.48	117.57
Closing price	CHF	125.30	177.00	169.00
Taxable value	CHF	0.15	0.23	0.07
Premium		2.68%	48.14%	43.74%
Distribution	CHF	3.40 ²	3.40	3.40
Distribution yield		2.71%	1.92%	2.01%
Distribution ratio		107.96%	99.00%	98.41%
Performance ³		-27.74%	6.80%	12.93%
Investment return		5.11%	4.63%	4.95%
Return on equity (ROE)		5.12%	4.48%	4.72%
Return on invested capital (ROIC)		3.94%	3.60%	3.92%
Operating profit margin (EBIT margin)		71.63%	73.14%	74.99%
Total operating expense ratio GAV (TER _{REF} GAV)		0.66%	0.63%	0.64%
Total operating expense ratio MV (TER _{REF} MV)		0.72%	0.54%	0.59%
Rental income	CHF	112.7 mn	109.2 mn	107.8 mn
Rate of loss of rental income		3.76%	4.36%	5.68%

¹ Maximum permissible borrowing: one-third of the market values (CISA Art. 65 para. 2 / CISO Art. 96 para. 1).

² Value date of distribution: March 14, 2023 (ex-date: March 10, 2023)

³ Historical performance and financial market scenarios are not reliable indicators of future results.

Data source: Credit Suisse, otherwise specified.

Annual and semiannual reports are available at credit-suisse.com/amfunds/csrefgreenproperty

Key figures of CS REF Hospitality (security number 11876805)

Fiscal year concluded		Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Fair value of the real estate	CHF	862.5 mn	775.5 mn	819.3 mn
Debt ratio as % of fair values ¹		21.04%	14.25%	19.45%
Net asset value per unit (incl. distribution)	CHF	80.06	77.72	76.99
Closing price	CHF	63.65	79.75	73.20
Taxable value	CHF	0.05	0.09	0.04
Premium/discount		-20.50%	2.61%	-4.92%
Distribution	CHF	2.50 ²	2.50	2.50
Distribution yield		3.93%	3.13%	3.42%
Distribution ratio		93.03%	103.64%	126.82%
Performance ³		-17.68%	12.54%	-19.43%
Investment return		6.41%	4.32%	-3.62%
Return on equity (ROE)		5.97%	4.42%	-3.30%
Return on invested capital (ROIC)		5.02%	3.72%	-2.74%
Operating profit margin (EBIT margin)		81.15%	78.42%	73.57%
Total operating expense ratio GAV (TER _{REF} GAV)		0.36%	0.37%	0.43%
Total operating expense ratio MV (TER _{REF} MV)		0.49%	0.45%	0.53%
Rental income	CHF	31.3 mn	31.1 mn	28.0 mn
Rate of loss of rental income		0.24%	1.29%	3.77%

¹ Maximum permissible borrowing: one-third of the market values (CISA Art. 65 para. 2 / CISO Art. 96 para. 1).

² Value date of distribution: March 14, 2023 (ex-date: March 10, 2023)

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Data source: Credit Suisse, otherwise specified.

Annual and semiannual reports are available at credit-suisse.com/amfunds/csrefhospitality

Key figures of CS REF LivingPlus (security number 3106932)

Fiscal year concluded		Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Fair value of the real estate	CHF	3,123.9 mn	3,044.5 mn	2,940.5 mn
Debt ratio as % of fair values ¹		20.69%	19.33%	18.79%
Net asset value per unit (incl. distribution)	CHF	114.35	113.52	110.95
Closing price	CHF	137.70	182.00	171.70
Taxable value	CHF	0.14	0.22	0.17
Premium		20.42%	60.32%	54.75%
Distribution	CHF	3.60 ²	3.60	3.60
Distribution yield		2.61%	1.98%	2.10%
Distribution ratio		96.56%	96.61%	97.37%
Performance ³		-22.77%	8.20%	16.95%
Investment return		4.01%	5.73%	4.51%
Return on equity (ROE)		3.80%	5.45%	4.25%
Return on invested capital (ROIC)		3.04%	4.32%	3.49%
Operating profit margin (EBIT margin)		74.71%	75.13%	74.71%
Total operating expense ratio GAV (TER _{REF} GAV)		0.65%	0.64%	0.67%
Total operating expense ratio MV (TER _{REF} MV)		0.65%	0.53%	0.59%
Rental income	CHF	131.5 mn	127.7 mn	125.2 mn
Rate of loss of rental income		2.61%	4.38%	5.14%

¹ Maximum permissible borrowing: one-third of the market values (CISA Art. 65 para. 2 / CISO Art. 96 para. 1).

² Value date of distribution: March 14, 2023 (ex-date: March 10, 2023)

³ Historical performance and financial market scenarios are not reliable indicators of future results.
Data source: Credit Suisse, otherwise specified.

Annual and semiannual reports are available at credit-suisse.com/amfunds/csreflivingplus

More information

- The comprehensive annual reports will be published in electronic form at the end of March 2023.
- Annual and semiannual reports: <http://www.credit-suisse.com/fundprices>
- Further information: credit-suisse.com/ch/realestate

Further information

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Credit Suisse Asset Management (Switzerland) Ltd.

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