

Annual financial statements for Credit Suisse Swiss real estate funds as of December 31, 2021

Zurich, March 3, 2022 – **Credit Suisse Fund AG's Swiss real estate funds had a solid financial year as of December 31, 2021, further strengthening their portfolios. Distributions remain constant and the performance of the funds ranged between 6.8% and 12.5%. The COVID-19 pandemic had only a minimal impact on results.**

Credit Suisse Real Estate Fund Green Property exhibits market value of more than CHF 3 bn

The Credit Suisse Real Estate Fund Green Property (CS REF Green Property, security no. 10077844) recorded a performance of 6.8% in the 2021 financial year, lagging slightly behind its benchmark (SXI Real Estate Funds Broad: 7.3%). The premium rose from 43.7% to 48.1%. As a result of newbuild projects and the appreciation of existing properties, the market value of the portfolio increased to CHF 3,045.9 million (previous year: CHF 2,806.3 million). The average discount rate decreased from 3.0% to 2.9%. The rent loss rate declined to 4.4% (previous year: 5.7%). As a result of the COVID-19 pandemic, rental reductions amounted to CHF 3.7 million, or 3.2% of target rental income. The distribution per unit remains constant at CHF 3.40 (previous year: CHF 3.40). The leverage ratio amounted to 19.0%. In the GRESB global sustainability benchmarking, the CS REF Green Property received four out of a maximum possible five stars for both its existing properties and the newbuild projects.

The CS REF Green Property initiated and realized numerous newbuild projects over the course of the last financial year. In May 2021, the Cosmos construction project in Dübendorf was acquired. There, a total of 168 urban apartments, along with office and commercial space, will be ready for occupation by the fall of 2023. The construction projects Parco Brentani in Lugano and Tivoli Garden in Spreitenbach are proceeding as planned, as is the addition of new levels to the Lokwerk building in Winterthur. Due to strategic considerations, a small residential development in Othmarsingen was sold in 2021. In addition, the fund acquired an office property in Bern toward the end of 2021. The building in question dates back to 1967 and will be completely renovated between 2024 and 2027 in order to bring it in line with current usage requirements and sustainability standards. The letting of the completed projects in Martigny and Liestal developed in a promising manner.

Key figures on page 3.

Credit Suisse Real Estate Fund Hospitality records performance of 12.5%

The Credit Suisse Real Estate Fund Hospitality (CS REF Hospitality, security no. 11876805) achieved a performance of 12.5% in the 2021 financial year, outperforming its benchmark (SXI Real Estate Funds Broad: 7.3%). Over the course of the year, the discount of 4.9% recorded at the previous year-end was transformed into a slight premium of 2.6%. Due to the sale of the Swissôtel Le Plaza building in Basel, the market value of the portfolio declined to CHF 775.5 million (previous year: CHF 819.3 mn). The average discount rate decreased from 3.3% to 3.2%. The rent loss rate declined to 1.3% (previous year: 3.8%). As a result of the COVID-19 pandemic, rental reductions amounted to CHF 0.1 million or 0.3% of target rental income. The distribution per unit remains constant at CHF 2.50 (previous year: CHF 2.50). The leverage ratio amounted to 14.3%. In the GRESB global sustainability benchmarking, the CS REF Hospitality received two out of a maximum of five possible stars.

Despite the pandemic-related challenges facing the city hotel sector, the CS REF Hospitality recorded a success in Zurich-Oerlikon, bringing the first "Mama Shelter" hotel to Switzerland. A long-term lease agreement was signed with the operating company KNSA Hospitality at the end of 2021. The legally binding building permit for the refurbishment and use conversion of this high-rise building at Schulstrasse 44 was issued in September 2021. The refurbishment work on the 50-year-old property will involve a reduction to the number of hotel rooms and the creation of 132 new 1.5- to 2.5-room apartments and mini-lofts. The renovation process is expected to last two years. Due to its importance from an architectural and community standpoint, the building has been registered as a historical monument by the city of Zurich.

Key figures on page 4.

Credit Suisse Real Estate Fund LivingPlus maintains constant distribution of CHF 3.60

The Credit Suisse Real Estate Fund LivingPlus (CS REF LivingPlus, security no. 3106932) achieved a performance of 8.2% in the 2021 financial year, thereby outperforming its benchmark (SXI Real Estate Funds Broad: 7.3%). Over the course of the financial year, the premium rose from 54.8% to 60.3%. The market value of the portfolio increased to CHF 3,044.5 million. (previous year: CHF 2,940.5 million). The average discount rate decreased from 3.3% to 3.1%. The rent loss rate declined to 4.4% (previous year: 5.1%). As a result of the COVID-19 pandemic, rental reductions during the 2021 financial year amounted to CHF 1.0 million or 0.7% of target rental income. The distribution per unit remains constant at CHF 3.60 (previous year: CHF 3.60). The leverage ratio amounted to 19.3%. In the GRESB global sustainability benchmarking, the CS REF LivingPlus received three out of a maximum of five possible stars.

The CS REF LivingPlus executed a number of portfolio transactions in the 2021 financial year. In both Bad Zurzach and Lugano, it acquired a newbuild project with planning permission, while also selling at attractive terms four properties in Bad Zurzach, Cham, Grenchen and Lugano that were no longer a strategic fit.

Key figures on page 5.

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

Financial statements as of		Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019
Market value of properties	CHF	3,045.9 mn	2,806.3 mn	2,713.6 mn
Leverage ratio as % of market values ¹		18.98%	13.35%	12.16%
Net asset value per unit (including distribution)	CHF	119.48	117.57	115.70
Closing price	CHF	177.00	169.00	153.00
Taxable value	CHF	0.23	0.07	0.12
Premium		48.14%	43.74%	32.24%
Distribution	CHF	3.40 ²	3.40	3.70
Distribution yield		1.92%	2.01%	2.42%
Distribution ratio		99.00%	98.41%	95.11%
Performance ³		6.80%	12.93%	24.76%
Return on investment		4.63%	4.95%	5.11%
Return on equity (ROE)		4.48%	4.72%	4.60%
Return on invested capital (ROIC)		3.60%	3.92%	3.82%
Operating profit margin (EBIT margin)		73.14%	74.99%	75.57%
Total operating expense ratio GAV (TER _{REF} GAV)		0.63%	0.64%	0.65%
Total operating expense ratio MV (TER _{REF} MV)		0.54%	0.59%	0.65%
Rental income	CHF	109.2 mn ⁴	107.8 mn ⁵	110.9 mn
Rent loss rate		4.36% ⁴	5.68% ⁵	3.99%

¹ Maximum permitted borrowing: one-third of market value (CISA Art. 65 (2)/CISO Art. 96 (1)).

² Dividend settlement date: March 14, 2022 (ex-date: March 10, 2022).

³ Historical performance indications and financial market scenarios are not reliable indicators of future performance. The commissions and expenses incurred upon issuance and redemption of fund units are not included in the performance data.

⁴ Due to the COVID-19 pandemic, rent reductions of CHF 3.74 mn (3.17% of target rental income) were granted and deducted from rental income. Rent reductions were not taken into account in the calculation of the rent loss rate.

⁵ Due to the COVID-19 pandemic, rent reductions of CHF 5.94 mn (4.94% of target rental income) were granted and deducted from rental income. Rent reductions were not taken into account in the calculation of the rent loss rate.

Data source: Credit Suisse, unless otherwise specified.

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

Key figures for CS REF Hospitality (security no. 11876805)

Financial statements as of		Dec. 31, 2021	Dec. 31, 2020	Dec. 31, .2019
Market value of properties	CHF	775.5 mn	819.3 mn	1,075.8 mn
Leverage ratio as % of market values ¹		14.25%	19.45%	23.83%
Net asset value per unit (including distribution)	CHF	77.72	76.99	93.56
Closing price	CHF	79.75	73.20	105.50
Taxable value	CHF	0.09	0.04	0.05
Premium/discount		2.61%	-4.92%	12.76%
Distribution	CHF	2.50 ²	2.50	3.40
Distribution yield		3.13%	3.42%	3.22%
Distribution ratio		103.64%	126.82%	82.62%
Performance ³		12.54%	-19.43%	26.05%
Return on investment		4.32%	-3.62%	1.19%
Return on equity (ROE)		4.42%	-3.30%	0.76%
Return on invested capital (ROIC)		3.72%	-2.74%	0.78%
Operating profit margin (EBIT margin)		78.42%	73.57%	84.95%
Total operating expense ratio GAV (TER _{REF} GAV)		0.37%	0.43%	0.37%
Total operating expense ratio MV (TER _{REF} MV)		0.45%	0.53%	0.51%
Rental income	CHF	31.1 mn ⁴	28.0 mn ⁵	49.1 mn
Rent loss rate		1.29% ⁴	3.77% ⁵	0.52%

¹ Maximum permitted borrowing: one-third of market value (CISA Art. 65 (2)/CISO Art. 96 (1)).

² Dividend settlement date: March 14, 2022 (ex-date: March 10, 2022)

³ Historical performance indications and financial market scenarios are not reliable indicators of future performance. The commissions and expenses incurred upon issuance and redemption of fund units are not included in the performance data.

⁴ Due to the COVID-19 pandemic, rent reductions of CHF 0.09 mn (0.27% of target rental income) were granted and deducted from rental income. Rent reductions were not taken into account in the calculation of the rent loss rate.

⁵ Due to the COVID-19 pandemic, rent reductions of CHF 6.20 mn (17.55% of target rental income) were granted and deducted from rental income. Rent reductions were not taken into account in the calculation of the rent loss rate.

Data source: Credit Suisse, unless otherwise specified.

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

Key figures for CS REF LivingPlus (security no. 3106932)

Financial statements as of		Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019
Market value of properties	CHF	3,044.5 mn	2,940.5 mn	2,903.4 mn
Leverage ratio as % of market values ¹		19.33%	18.79%	18.48%
Net asset value per unit (including distribution)	CHF	113.52	110.95	109.74
Closing price	CHF	182.00	171.70	150.20
Taxable value	CHF	0.22	0.17	0.14
Premium		60.32%	54.75%	36.87%
Distribution	CHF	3.60 ²	3.60 ²	3.60
Distribution yield		1.98%	2.10%	2.40%
Distribution ratio		96.61%	97.37%	98.37%
Performance ³		8.20%	16.95%	20.54%
Return on investment		5.73%	4.51%	5.42%
Return on equity (ROE)		5.45%	4.25%	5.12%
Return on invested capital (ROIC)		4.32%	3.49%	4.19%
Operating profit margin (EBIT margin)		75.13%	74.71%	74.90%
Total operating expense ratio GAV (TER _{REF} GAV)		0.64%	0.67%	0.68%
Total operating expense ratio MV (TER _{REF} MV)		0.53%	0.59%	0.66%
Rental income	CHF	127.7 mn ⁴	125.2 mn ⁵	132.5 mn
Rent loss rate		4.38% ⁴	5.14% ⁵	5.28%

¹ Maximum permitted borrowing: one-third of market value (CISA Art. 65 (2)/CISO Art. 96 (1)).

² Dividend settlement date: March 14, 2022 (ex-date: March 10, 2022).

³ Historical performance indications and financial market scenarios are not reliable indicators of future performance. The commissions and expenses incurred upon issuance and redemption of fund units are not included in the performance data.

⁴ Due to the COVID-19 pandemic, rent reductions of CHF 0.97 mn (0.72% of target rental income) were granted and deducted from rental income. Rent reductions were not taken into account in the calculation of the rent loss rate.

⁵ Due to the COVID-19 pandemic, rent reductions of CHF 4.36 mn (3.20% of target rental income) were granted and deducted from rental income. Rent reductions were not taken into account in the calculation of the rent loss rate.

Data source: Credit Suisse, unless otherwise specified.

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

Further information

- The complete annual reports will be published in electronic form at the end of March 2022.
- Annual and semi-annual reports: <http://www.credit-suisse.com/fundprices>
- Further information: credit-suisse.com/ch/realestate

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Credit Suisse Asset Management (Switzerland) Ltd.

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