



Swiss Finance & Property Investment Ltd - Press Release

March 9, 2012 - For immediate publication

Financial year 2011

- Net profit excluding revaluation effects up by 39.7%
- The company, which is currently listed on the BX Berne eXchange, is now seeking a listing on the SIX Swiss Exchange
- Subject to the approval of the Annual General Meeting, a capital increase is envisaged in order to expand the real estate portfolio
- Proposed payout of CHF 2.85 per listed share (2010: CHF 2.40)

Zurich, March 9, 2012 – Swiss Finance & Property Investment Ltd (SFPI) is once again able to look back on an exceptionally successful financial year. Net profit excluding revaluation effects was up by 39.7% in 2011 to CHF 6.26 million (2010: CHF 4.48 million). As at December 31, 2011, net asset value (NAV) per listed share amounted to CHF 79.33 (CHF 78.02), which corresponds to an increase of 1.7%. The vacancy rate for the year 2011 remained stable at 4.2% (4.3%). The EBIT margin rose to 74.4%.

Attractive portfolio expansion

The company once again reported very successful results in the financial year 2011. The real estate portfolio has grown to 35 properties through the acquisition of six new properties with a total investment (incl. ancillary purchase costs) of CHF 44.8 million.

The total value of the portfolio rose by CHF 50.9 million to CHF 275.9 million (including a valuation gain of CHF 4.3 million), which corresponds to an increase of 22.6%.

During the same period, rental income increased by CHF 2.7 million, or 26.3%, while property-related expenses, in contrast, increased by only 17.5%. The vacancy rate for the year 2011 remained stable at 4.2% (4.3%).

In the financial year 2011, EBIT before revaluation increased by CHF 2.3 million to CHF 8.8 million (2010: CHF 6.5 million), which corresponds to an increase of 35.4%, due to portfolio growth and economies of scale on the cost side. The EBIT margin improved accordingly from 72.8% to 74.4%.

With a debt ratio of 55.5% as at December 31, 2011, the average interest rate was 2.12%. The average fixed-interest period amounted to 38 months.

Investment in new properties

New additions to the portfolio are the properties at Riehenstr. 167 and Picassoplatz 4 in Basel, as well as Badenerstr. 429, Neptunstr. 57, Zeltweg 67 and Zollikerstr. 6 in Zurich. After the balance sheet date, the company also acquired the properties at Riehenstrasse 163 – 165 in Basel on January 3, 2012. As the company has considerably stepped up its acquisition efforts in recent months, a sharp increase in the number of property assessments can be expected for 2012.



Successful preliminary projects, building applications and property surveys

Following the issue of the building permit in June 2011, intensive work resumed on the "Hubertus" project at Letzigraben 101 in Zurich. The deconstruction work on the existing, protected building was completed. The work on the new development has already been put out to tender. For the new neighboring building that is planned for construction, the detailed GC submission has been drawn up with the assistance of the involved consultants. The contracts were awarded as of the end of February 2012 and construction work will begin in spring 2012. The new building and the renovated property at Letzigraben 101 are scheduled for occupancy in fall 2013. In addition, construction work is already at an advanced stage at Schwarzwaldallee 171 in Basel and the commercial units on the ground floor have already been rented out with long-term leases. Staggered occupancy will take place from May 15, 2012 onwards.

Personnel changes

As of March 8, 2012, Stephan Ehram has taken on the role of CFO of Swiss Finance & Property Ltd. Stephan Ehram has many years of experience as CFO of industrials as well as real estate companies. Carolin Schmäuser will be assuming other duties within the company and will remain a member of the Board of Directors of Swiss Finance & Property Investment Ltd.

Management plans

At the Annual General Meeting of April 4, 2012, the Board of Directors will propose a capital repayment via a proportional nominal value reduction by 6.5%. For registered shares with an existing nominal value of CHF 8.74 per share, the new nominal value will amount to CHF 8.17, while for the listed registered shares with a nominal value of CHF 43.70, the nominal value will be reduced to CHF 40.85. On the basis of the closing price as of December 31, 2011, this corresponds to a payout yield of 3.5%.

In addition, subject to the approval of the Annual General Meeting, the Board of Directors plans to propose a capital increase in order to expand the real estate portfolio. In connection with this capital increase, the company is seeking a move from the BX Berne eXchange to the SIX Swiss Exchange.

About Swiss Finance & Property Investment Ltd

Swiss Finance & Property Investment Ltd (SFPI) is a Swiss real estate company with its registered office in Zurich. It develops and manages a portfolio of existing properties while also acquiring new properties. As part of its activities, Swiss Finance & Property Investment Ltd invests in commercial and residential properties with development potential. The company focuses its search on investment property that can be optimised on a sustainable basis through cost management, repositioning, further development, restructuring of lease contracts and other measures. Since November 2007, Swiss Finance & Property Investment Ltd has been listed on the BX Berne eXchange (symbol: SFPN, Swiss Security no.: 3281613, ISIN CH0032816131).

Further information as well as the complete annual report 2011 and interim report (as at June 31, 2011) can be found at: www.sfpi.ch.

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Key Figures

		2011	2010
Key financial figures	<i>Einheit</i>	in CHF	in CHF
Operating income before revaluation	CHF	13'307'940	10'418'908
Revaluation of investment properties	CHF	4'286'665	3'868'957
Operating income following revaluation	CHF	17'594'605	14'287'865
Property-related operating expenses	CHF	-1'715'510	-1'459'758
Administrative and other operating expenses	CHF	-2'790'754	-2'420'907
EBIT	CHF	13'088'341	10'407'200
EBIT margin	%	74.39	72.84
Net profit	CHF	9'059'810	7'141'035
Net profit excl. revaluation effects ¹	CHF	6'261'206	4'481'265
Net cash flow from operating activities	CHF	1'255'573	6'765'909
Net cash flow from investment activities	CHF	-46'469'080	-59'040'099
Net cash flow from financing activities	CHF	39'495'688	62'831'500
Total assets	CHF	296'506'146	243'074'875
Shareholders' equity	CHF	131'911'924	129'746'974
Equity ratio	%	44.49	53.38
Return on equity	%	6.92	6.34
Return on equity excl. revaluation effects	%	4.79	3.98
Interest-bearing debt	CHF	145'236'000	100'046'738
Interest-bearing debt as a % of total assets	%	48.98	41.16
Key portfolio figures			
Number of properties	Anzahl	35	30
Balance sheet value of properties	CHF	275'955'300	225'016'100
Gross yield	%	5.31	5.76
Weighted real discount rate of the portfolio valuation	%	4.29	4.49
Weighted nominal discount rate of the portfolio valuation	%	5.34	5.53
Development-caused vacancy rate at end of period	%	2.15	0.21
Current vacancy rate at end of period	%	2.88	5.16
Vacancy rate entire year	%	4.21	4.28
Key figures per share			
Earnings per share (EPS) à CHF 8.74 nominal	CHF	1.09	1.12
Earnings per share (EPS) à CHF 43.70 nominal	CHF	5.45	5.62
NAV per share à CHF 43.70 nominal	CHF	79.33	78.02
NNAV per share ² à CHF 43.70 nominal	CHF	86.38	82.90
Payout yield	%	3.50	3.1
Share price at end of period	CHF	81.50	77.80
Premium (+) / Discount (-) to NAV	%	2.74	-0.29

¹ Net profit less the revaluation effects on investment properties and long-term debt financing, net deferred taxes

² NAV adjuste for the valuation effects of financial instruments and deferred taxes



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