

## Media Release

### Credit Suisse Real Estate Fund Global Continues to Expand Its Portfolio Sustainably

Zurich, March 23, 2017 **The Credit Suisse Real Estate Fund Global is continuing the successful diversification of its portfolio in the 2016 fiscal year.**

The Credit Suisse Real Estate Fund Global (CS REF Global, security no. 13 985 167) continued to expand its portfolio in a sustainable manner in the 2016 fiscal year. After taking account of the purchases and sales made in 2016, as of year-end, the market value of the real estate value had risen by 16.4% to CHF 358.9 mn (previous year CHF 308.3 mn) while rental income also grew by approximately 17%.

With the acquisition of two properties in Seattle and Denver, the portfolio has successfully completed some strategic additions in America. The office building in Seattle is in the Waterfront District, Lower Queen Anne/Lake Union, and at the time of purchase, it was 92% leased to five long-term tenants. The acquisition in Denver is an office building with a LEED Silver certification. It is fully leased for the long term to a leading global provider of cleaning systems. In England in 2016, the fund purchased a modern office complex, 90% occupied, in the up-and-coming west end of Leeds and sold its Princes Exchange property in the same city.

#### **New Fund Manager as of April 1, 2017**

As of April 1, 2017, Francisca Fariña Fischer will hand over management of CS REF Global to Ruth Schmeing and take over as the head of Real Estate International. Ruth Schmeing has worked in Real Estate Investment Management at Credit Suisse since April 2014. She was in charge of asset management for a dynamic, commercial real estate portfolio. In her role, she also oversaw numerous real estate transactions for core and value-added properties. Before joining Credit Suisse, Ruth Schmeing worked for more than seven years in various positions for an international real estate consultant in Frankfurt. Thanks to her extensive knowledge and vast network in Switzerland and other countries, she is the ideal match for the position of fund manager of CS REF Global.

#### **Details per Unit**

The net asset value per unit (including distribution) as of December 31, 2016, was CHF 96.57 (CHF 98.80). The distribution for the 2016 fiscal year was set at CHF 3.40 (CHF 3.60), for a direct yield of 3.6% (3.7%). The investment return on CS REF Global was 1.4% (1.8%). Performance as of year-end amounted to 0.1% (3.7%). The closing price at the end of the 2016 fiscal year was CHF 93.50 (CHF 96.65), for a debt discount of 3.2% (debt discount 2.2%).

CS REF Global, launched in 2011, was the first Swiss real estate fund to invest in international property on a diversified basis and be listed on the SIX Swiss Exchange. The fund offers private and institutional investors access to diversified international real estate markets. The investment focus is on high-quality commercial real estate in attractive locations in America, Asia Pacific, and Europe (excluding Switzerland). The currencies in the statement of net assets are largely hedged against the Swiss franc.

**Key figures CS REF Global (security no. 13 985 167)**

Fiscal year ended		31.12.2016	31.12.2015 <sup>1</sup>	31.12.2014 <sup>1</sup>
Market value of properties	CHF	358.9 mn	308.3 mn	323.6 mn
Debt financing ratio in % of market value <sup>2</sup>		23.94%	25.23%	33.94%
Net asset value per unit (including distribution)	CHF	96.57	98.80	100.83
Closing price	CHF	93.50	96.65	97.70
Premium/discount		-3.18%	-2.18%	-3.10%
Distribution	CHF	3.40 <sup>3</sup>	3.60	3.80
Direct yield		3.64%	3.72%	3.89%
Payout ratio		97.04%	111.77%	85.87%
Performance <sup>4</sup>		0.12%	3.65%	10.00%
Investment return		1.41%	1.79%	5.71%
Return on equity (ROE)		1.39%	0.82%	4.92%
Return on invested capital (ROIC)		1.77%	1.68%	4.28%
Operating profit margin (EBIT margin)		67.16%	70.23%	76.52%
Total operating expense ratio GAV (TER <sub>REF</sub> GAV)		1.13%	0.98%	1.12%
Total operating expense ratio MV (TER <sub>REF</sub> MV)		1.47%	1.31%	1.74%
Rental income	CHF	20.7 mn	17.8 mn	19.1 mn
Rental loss rate		7.97%	7.69%	10.41%

<sup>1</sup> Key figures have been adjusted to the new CISO-FINMA calculation and the new SFAMA specialist information fact sheet for real estate funds dated 13.9.2016.

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

<sup>3</sup> Distribution on value date 31.3.2017 (ex-date 29.3.2017).

<sup>4</sup> Historical performance data and financial market scenarios are no reliable indicator of future results. The commissions and costs levied upon issuance and redemption of fund units are not included in the performance data.

Data source: Credit Suisse AG, unless otherwise specified.

**Information**

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The annual report will be published in May 2017.

Current annual and semi-annual reports at [www.credit-suisse.com/ch/realestate/download](http://www.credit-suisse.com/ch/realestate/download)

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The key risks of real estate investments include limited liquidity in the real estate market, changing mortgage interest rates, subjective valuation of real estate, inherent risks with respect to the construction of buildings and environmental risks (e.g. land contamination).

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