Credit Suisse Real Estate Fund Interswiss
Capital Increase 2015

Real Estate Investment Management
May 2015
Credit Suisse Real Estate Fund Interswiss

Key Facts

- Capital increase of over CHF 150 million in June 2015
- CS REF Interswiss debt financing ratio is around 31%. Due to the revisions to CISA and CISO, a debt financing ratio of max. 33% is permitted
- New capital is needed to ensure future growth and to be able to act flexibly in the market
- Investments are constantly being made in the real estate portfolio in order to ensure that it remains marketable

Spreitenbach shopping center
Credit Suisse Real Estate Fund Interswiss
Success Factors

- **Largest commercial real estate fund** in Switzerland with a market value of CHF 2.235 million as of March 31, 2015
- The fund owns **78 properties** with over 4,000 leases
- **Direct yield of 4.06% as of September 30, 2014** – the average for all listed real estate funds is 2.90% (December 31, 2014)
- **Low total expense ratio** (TER$_{REF\text{GAV}}$) of 0.67% – below the average of 0.81% for listed real estate funds (December 31, 2014)

Past returns and financial market scenarios are not a guarantee of current or future performance.

Source: SIX Swiss Exchange, unaudited semi-annual report as of March 31, 2015 on CS REF Interswiss
Credit Suisse Real Estate Fund Interswiss
Investment Policy and Strategy

- **Investment policy**
  - Investment in high-earning commercial and mixed-use properties
  - Broadly diversified portfolio throughout Switzerland with a focus on major Swiss cities and their agglomerations

- **Strategy**
  - Generate a stable, high distribution yield
  - Concentrate on qualitative growth of the portfolio plus constant renewal of the portfolio properties

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss
Basic Information and Product Features

- **Broad investor base**, with thousands of private and institutional investors
- **Trades** on the SIX Swiss Exchange with an average daily turnover of CHF 1,068,000.¹
- Supervised by the Swiss Financial Market Supervisory Authority (FINMA) pursuant to the Federal Act on Collective Investment Schemes (CISA) and the Federal Ordinance on Collective Investment Schemes (CISO), e.g.:
  - The debt capital must not exceed one-third of the market value
  - 30% building land and unfinished buildings
- **Fund currency** is the **Swiss franc** (CHF)
- The fund was launched in 1954. It holds the real estate in indirect property ownership

¹: On average over the last five years
Historical returns and financial market scenarios are no guarantee of current and future results.

Source: SIX Swiss Exchange, Credit Suisse AG

Bern, Belpstrasse 48
# Credit Suisse Real Estate Fund Interswiss

## Key Figures

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value in CHF million</td>
<td>1,404.9</td>
<td>1,436.0</td>
<td>1,427.7</td>
<td>1,426.2</td>
</tr>
<tr>
<td>Market value of properties in CHF million</td>
<td>2,235.3</td>
<td>2,206.7</td>
<td>2,041.8</td>
<td>1,790.9</td>
</tr>
<tr>
<td>Premium/discount</td>
<td>21.60%</td>
<td>8.62%</td>
<td>4.18%</td>
<td>15.66%</td>
</tr>
<tr>
<td>Distribution per unit in CHF</td>
<td>n/a</td>
<td>8.40</td>
<td>8.40</td>
<td>8.40</td>
</tr>
<tr>
<td>Distribution yield</td>
<td>n/a</td>
<td>4.06%</td>
<td>4.26%</td>
<td>3.84%</td>
</tr>
<tr>
<td>Payout ratio</td>
<td>n/a</td>
<td>84.43%</td>
<td>98.19%</td>
<td>93.85%</td>
</tr>
<tr>
<td>Return on investment</td>
<td>2.31%¹</td>
<td>5.21%</td>
<td>4.72%</td>
<td>6.35%</td>
</tr>
<tr>
<td>Third party borrowings (in % of market value)</td>
<td>31.14%</td>
<td>28.86%</td>
<td>24.17%</td>
<td>16.47%</td>
</tr>
<tr>
<td>Total expense ratio (TER&lt;sub&gt;REF,GAV&lt;/sub&gt;)</td>
<td>0.67%</td>
<td>0.67%</td>
<td>0.69%</td>
<td>0.70%</td>
</tr>
<tr>
<td>Rental losses</td>
<td>7.25%</td>
<td>5.94%</td>
<td>5.11%</td>
<td>3.66%</td>
</tr>
</tbody>
</table>

¹Calculated for six months

The performance data does not take into account the commissions and fees charged for the issuance and redemption of units. Historical returns and financial market scenarios are no guarantee of current and future results.

The performance figures have been calculated according to the SFA’s specialist instruction "Key Performance Figures of Real Estate Funds" (Kennzahlen von Immobilienfonds), which entered into effect on November 17, 2010.

Source: Audited annual report and unaudited semi-annual reports for Credit Suisse REF Interswiss
Credit Suisse Real Estate Fund Interswiss
Net Performance as of April 30, 2015

Net performance in CHF (rebased to 100) and yearly performance 1)

The performance data does not take into account the commissions and fees charged for the issuance and redemption of units. Historical returns and financial market scenarios are no guarantee of current and future results.

Last data point: April 30, 2015

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss
Price Development in Comparison with Net Asset Value

The performance data does not take into account the commissions and fees charged for the issuance and redemption of units. Historical returns and financial market scenarios are no guarantee of current and future results.

Last data point: April 30, 2015

Source: Credit Suisse AG
Premiums and Discounts of Swiss Real Estate Funds
Average of Listed Swiss Funds\textsuperscript{1}: 36.4%

If the OTC traded funds CS 1a Immo PK, CS REF International, CS REF LogisticsPlus, and CS REF Global are also taken into account, the weighted premium is 34.7%

Last data point: April 30, 2015

Source: Credit Suisse AG, Datastream, fund annual and semi-annual reports
The performance data does not take into account the commissions and fees charged for the issuance and redemption of units. Historical performance data is no guarantee of current or future performance and returns.

Last data point: March 31, 2015

Source: Credit Suisse AG, Datastream, latest fund annual report
Credit Suisse Real Estate Fund Interswiss

Focus on Economic Centers

Market values
- Over 50 Mio. CHF
- 10-50 Mio. CHF
- Up to 10 Mio. CHF

Source: Unaudited semi-annual report for CS REF Interswiss as of March 31, 2015
Credit Suisse Real Estate Fund Interswiss
Diversification by Segment

Structural breakdown by net rental income

Source: Unaudited semi-annual report for CS REF Interswiss as of March 31, 2015
Credit Suisse Real Estate Fund Interswiss
Basic Information on Capital Increase

Type of issue: "Best-effort" issue with subscription rights trading
Subscription period: June 1–12, 2015 (12:00 noon)
SIX subscription rights trading: June 1–11, 2015
Payment under subscription: June 19, 2015
Issue price: CHF 197.00 net per share certificate
Subscription ratio: 10:1 (10 prior to 1 new share certificate)
Volume sought: Maximum of CHF 148.6 million
Issuing commission: 2.5% of the NAV (included in the issue price)

Fund unit identification: Swiss Security Number: 276 935
ISIN: CH0002769351

Subscription right identification: Swiss Security Number: 18 981 407
ISIN: CH0189814079
## Credit Suisse Real Estate Fund Interswiss
### 2015 Real Estate Pipeline

<table>
<thead>
<tr>
<th>Purchases</th>
<th>Purchase date</th>
<th>Investment in CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zurich Hönggermarkt lots</td>
<td>June 30, 2015</td>
<td>8.9 mn</td>
</tr>
<tr>
<td>Various properties/projects under review</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Renovations/repositionings</th>
<th>Financial year</th>
<th>Investment in CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various renovations/repositionings</td>
<td>2014/15</td>
<td>80 mn</td>
</tr>
</tbody>
</table>

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss
Total renovation

Schaffhausen, Schwertstrasse 6
Office property

- Total renovation investment volume: CHF 4.1 mn
- Market value*: CHF 8.2 mn
- Rental income*: CHF 0.4 mn
- Completion: May 2015
- Total rented area: 1,400 m²
- Tenants: Jeweler, dental practice, office

*Post-completion figures

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss

Total renovation

Zug, Innere Güterstrasse 2, 4
Commercial property

- Total renovation investment volume: CHF 13.5 mn
- Market value*: CHF 24.0 mn
- Rental income*: CHF 1.2 mn

- Completion: December 2014
- Total rented area: 3,100 m²
- Parking spaces: 79
- Tenants: VZ Vermögenszentrum, fitness center

*Post-completion figures

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss

Total renovation

Zürich, Hallwylstrasse 71
Commercial property

- Total renovation investment volume: CHF 8.3 mn
- Market value*: CHF 21.5 mn
- Rental income*: CHF 0.9 mn
- Completion: May 2015
- Total rented area: 3,300 m²
- Parking spaces: 30
- Tenants: Schweizerische Textilfachschule (STF)

*Post-completion figures

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss
Repositioning

Zürich, Hönggermarkt
Shopping center

- Repositioning investment volume: CHF 4.5 mn
- Market value*: CHF 28.5 mn
- Rental income*: CHF 1.9 mn

- Completion in spring of 2015
- Total rented area: 5,200 m²
- Parking spaces: 94
- Tenants: Coop, various smaller retail tenants, offices, medical practice, apartments

*Post-completion figures

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss
Total Renovation and Repositioning

Ambassador House, Opfikon
Total renovation
(up to 50% condominium*)

- Office property with additional service offering on the ground floor (restaurant, conference, daycare, etc.)
- Investment volume of around CHF 70 mn (50% basic structure)
- Completion in spring of 2017
- Total office/service space of 50,000 m²
- Project with appealing quality
- Spacious and stunning foyer with reception (concierge)
- High-quality areas (flexible, efficient)
- Sustainability: LEED Platinum

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss
Debt Capital Maturities

Amount in CHF millions

Fixed-rate mortgages CHF 445.0 mn
Loans CHF 251.1 mn

Source: Unaudited semi-annual report for CS REF Interswiss as of March 31, 2015
**Credit Suisse Real Estate Fund Interswiss**

**Use of Issue Amount**

Active portfolio management enables the real estate portfolio to be constantly renewed and rejuvenated.

- **Capital requirements for planned real estate acquisitions**

CS REF Interswiss uses targeted renovations on existing properties to sustainably increase the portfolio's appeal and performance.

- **Capital requirements for routine renovations**

The fund implements a qualitative growth strategy and places value on a strong equity ratio.

- **Reduction of short-term debt**

- **Portfolio quality steadily improving and capital gains and profitability strengthening over the long term.**

Source: Credit Suisse AG
## Credit Suisse Real Estate Fund Interswiss
### Benefits for Investors Participating in the Capital Increase

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High-yielding real estate portfolio</strong></td>
<td>Participation in a real estate fund with high-yield commercial properties that is broadly diversified in terms of sectors and regions</td>
</tr>
<tr>
<td><strong>High distribution yield</strong></td>
<td>CS REF Interswiss has the highest distribution yield (4.1%(^1)) of all the real estate funds listed in Switzerland ((\bar{x} = 2.9%))</td>
</tr>
<tr>
<td><strong>Protection against inflation</strong></td>
<td>Rental agreements for commercially used real estate are structured for the long term and linked to inflation by means of indexing</td>
</tr>
<tr>
<td><strong>Long-term yield stability</strong></td>
<td>Continuous income from real estate thanks to highly credit-worthy tenants and long-term property maintenance</td>
</tr>
<tr>
<td><strong>Risk diversification</strong></td>
<td>Low correlation between real estate and other asset classes such as money market, equities, and bonds</td>
</tr>
<tr>
<td><strong>Qualitative growth</strong></td>
<td>High quality required of sites, building structure, and utilization concepts for commercial real estate</td>
</tr>
<tr>
<td><strong>Professional portfolio management</strong></td>
<td>Active management of real estate and vacancy rates by qualified and experienced local specialists</td>
</tr>
</tbody>
</table>

\(^1\) As of September 30, 2014 – target return is not a projection, forecast, or guarantee of future performance, or of achievement of such potential returns. Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss

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Appendix

Real Estate Investment Management
May 2015
Credit Suisse Real Estate Fund Interswiss
What Makes Commercial Use Properties Distinctive?

Advantages
- High yield stability
- Stable return
- Higher returns than with residential properties
- Long-term rental agreement (usually 5–10 years)
- Partial or complete indexing, linked to the consumer price index (CPI)
- Lower management fees due to less frequent change of tenants and fewer fixtures requiring maintenance

Disadvantages
- Cyclical
- Competitive real estate market in Switzerland
- Dependence on the tenant creditworthiness
- Larger spaces can become vacant when tenants leave (challenge of finding a new tenant)
### Credit Suisse Real Estate Fund Interswiss

10 Largest Tenants Account for 25% of Rental Income

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swisscom AG</td>
<td>4.1%</td>
</tr>
<tr>
<td>Coop</td>
<td>3.4%</td>
</tr>
<tr>
<td>Walter Meier AG</td>
<td>3.1%</td>
</tr>
<tr>
<td>MP hotel operation AG (Mövenpick Hotels &amp; Resorts)</td>
<td>3.0%</td>
</tr>
<tr>
<td>Migros</td>
<td>2.2%</td>
</tr>
<tr>
<td>Federal Disability Insurance for the Canton of Bern</td>
<td>2.1%</td>
</tr>
<tr>
<td>Schöni Transport AG</td>
<td>1.9%</td>
</tr>
<tr>
<td>Lloyds TSB Bank</td>
<td>1.8%</td>
</tr>
<tr>
<td>Maus Frères SA</td>
<td>1.8%</td>
</tr>
<tr>
<td>Hennes &amp; Mauritz SA</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

Source: Unaudited semi-annual report for CS REF Interswiss as of March 31, 2015
Credit Suisse Real Estate Fund Interswiss
Terms of Rental Agreements

Source: Unaudited semi-annual report for CS REF Interswiss as of March 31, 2015
Credit Suisse Real Estate Fund Interswiss

Rental Losses

Source: Semi-annual and annual reports for CS REF Interswiss

Proportion of vacancy caused by renovation projects
Credit Suisse Real Estate Fund Interswiss
Average Weighted Interest on Debt Capital

Source: Unaudited semi-annual report for CS REF Interswiss as of March 31, 2015
Credit Suisse Real Estate Fund Interswiss
Sample Properties within the Fund's Net Assets

Basel, Steinengraben 18, 22

Zürich, Limmatquai 80

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss
Sample Properties within the Fund's Net Assets

Pregny-Chambésy, Chemin de Cornillons
72, 74, 76, 78, 80, 82, 84, 86, 88, 104, 106

Zurich, Löwenstrasse 29

Source: Credit Suisse AG
Credit Suisse Real Estate Fund Interswiss
Sample Properties within the Fund's Net Assets

Plan-les-Quates, Ch. du Pré-Fleuri "Bluebox"

Nyon, Place Bel Air 8

Source: Credit Suisse AG
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