



Summary report 2023/2024
as at 30 June 2024

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Report

by the President and the Executive Management

With the increase in the Swiss National Bank's (SNB) policy rate from -0.25% to +0.5 % in September 2022, a long-term low interest period came to an end. Due to the inflation figures, which were above the target range, the SNB continued to hike interest rates in the first half of 2023. In June 2023, the policy rate had reached a temporary peak, having increased to 1.75%. Thanks to the inflation indicators, which were again within the target range from mid-year onwards, further interest rate hikes were subsequently unnecessary. The fall in Swiss consumer prices even prompted the SNB to loosen its monetary policy again from March 2024 onwards, which has so far led to a gradual reduction in the policy rate to 1.25%.

The effects of the inflation trend and interest rate increases described above were felt in the past financial year. Higher construction and financing costs and the increase in discount rates for property valuations have affected the result for the 2023/2024 financial year.

At the same time, demand for housing has continued to increase unabated. Net immigration of foreign residents reached the highest level in the last ten years in 2023, with more than 100,000 people. In addition, the approximately 50,000 Ukrainian refugees have now been counted as permanent residents, contributing to the high population growth of 1.6 per cent. On the other hand, the housing market is expected to have grown by less than 1 per cent. Accordingly, market liquidity and vacant apartments further reduced, especially in the rental housing market. As a result, market rents rose. The higher rents in the portfolio due to the increase in the mortgage reference rate also supported the prices of residential investment properties.

The combination of increased financing costs and only slightly lower price levels led to a significant decrease in transaction volumes on the market for investment properties. In the absence of suitable opportunities, transactions in the Real Estate Switzerland investment group also remained at a lower level in the past financial year. Nevertheless, a property with 48 apartments in Aigle (Canton of Vaud) and completed in 2023 was acquired, and it is at full occupancy.

All the more gratifying are the rental successes in the past twelve months. In particular, the "Ehden Parc" project in Bussigny, which was acquired in 2022 for the Real Estate Switzerland investment group, was completed and handed over to the new tenants at full occupancy at the end of March 2024. Due to the completion of the property in Bussigny, the acquisition of the aforementioned residential property in Aigle, and further rental successes achieved, the share of residential property in the Real Estate Switzerland investment group rose by 4.6 percentage points to 59.6%. The vacancy rate decreased by around one third to 3.3%.

Residential ratio increased to 60%

of the target rental income

The demolition work on the Wächter site also started in July 2023. A residential property with 43 residential units is to be built on this site in accordance with the latest sustainability standards. It is currently expected that the property will be completed by the end of 2026.

In the Real Estate Switzerland investment group, the target rental income from investment properties increased to CHF 52.5 million (previous year CHF 49.5 million). The borrowing ratio was 21.86% compared to 21.41% in the previous year. The investment yield was 2.00% (previous year: 1.65%). 1291 The Swiss Investment Foundation's total assets increased to CHF 1.5 billion in the past financial year (previous year: CHF 1.4 billion). Our investment foundation has a good geographical diversification with properties in 15 cantons.

The Sustainable Real Estate Projects Switzerland investment group also recorded a gratifying rental record. For example, a rental agreement with a local supplier has already been concluded for the "Roots" new-build project in Effretikon (Canton of Zurich). The project is in the planning phase and the building permit is expected at the end of 2024. Construction is scheduled to start at the beginning of 2025, with the aim of completing the project by mid-2028.

In addition, the “Perronimo” new-build project in Wil (Canton of St. Gallen) is in the implementation phase and is proceeding according to plan. The project is scheduled to be completed by the end of March 2026. In the main building, 32 apartments have already been rented out to the Thurvita Senior Citizens’ Centre and in the head building, both the catering and office spaces have been rented out. Marketing of the apartments is scheduled to start in the spring of 2025.

In spite of a challenging and subdued market environment, our Investment Foundation also managed to raise additional capital from existing and new investors in the past financial year. The Real Estate Switzerland investment group received new money totalling CHF 10.67 million in one capital increase. In addition, 65,790.637 new units were issued at the end of September 2023 with the newly created option to subscribe to the investment group's accrued income in the form of new units.

We are aware of our responsibility with regard to the sustainable development and management of properties in our “Real Estate Switzerland” and “Sustainable Real Estate Projects Switzerland” investment groups and have been continuously working since 2020 to integrate sustainability into the entire value chain. Following the definition of the sustainability strategy in 2021, consumption data was recorded for the first time in 2022 and the reduction path was defined in the 2023/2024 reporting year, taking into account the property valuation and the investment costs associated with the implementation of measures. The current activities and plans for future efforts by 1291 The Swiss Investment Foundation as well as the medium to long-term goals of the sustainability strategy are shown in the roadmap in the sustainability report (see the annual report 2023/2024 in German).

The Swiss real estate market remains challenging, and we are striving to continue the successful strategy of 1291 The Swiss Investment Foundation which focuses on quality and sustainability. In this way, we can maintain the attractiveness of our investment foundation for both existing and new investors and further increase it in the long term.

On behalf of the Board of Trustees, Executive Management and Portfolio Management, we would like to thank you for the trust you have placed in us.



A handwritten signature in blue ink, appearing to read 'M. Montanari'.

**Dr. iur. Mark
Montanari**

President of the Board of
Trustees



A handwritten signature in blue ink, appearing to read 'Dieter Marmet'.

Dieter Marmet

Managing Director

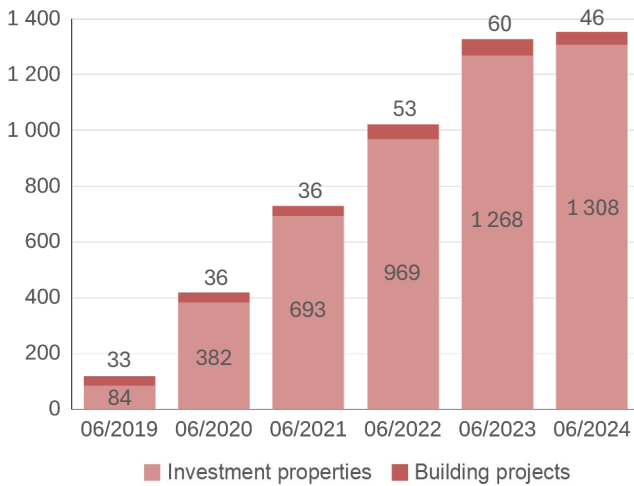
Investment Group
Real Estate Switzerland

Portfolio key figures

as at 30 June 2024

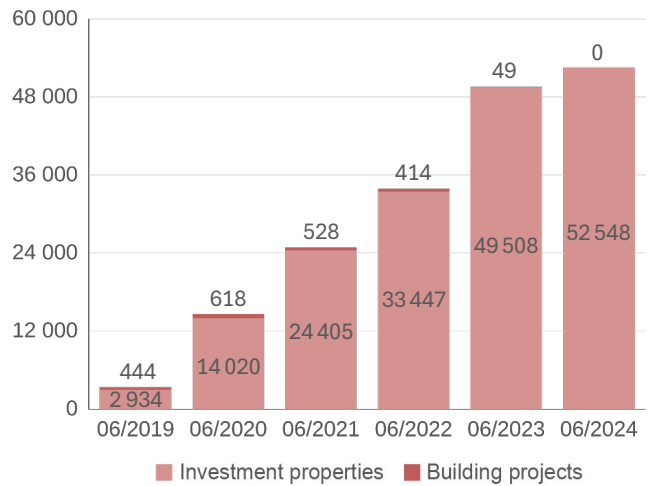
Market value of the properties

in CHF m



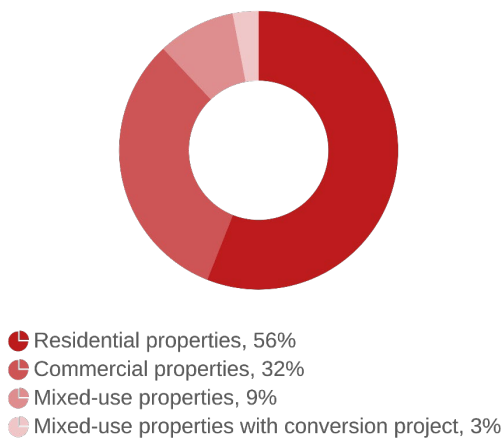
Development of target rental income p.a.

in TCHF



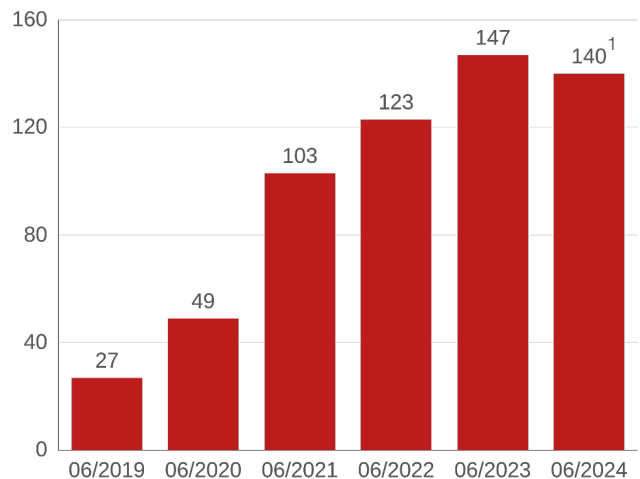
Overall portfolio (market value) by type of use

in %



Investor Base

in number of institutions in 2nd pillar



¹ The reduction in investors is due to cessations. There were no redemptions.

The most important key figures of the investment group Real Estate Switzerland

	01.07.2023 - 30.06.2024	01.07.2022 - 30.06.2023
Rent default rate	4.26%	6.91%
Borrowing ratio	21.86%	21.41%
Operating profit margin (EBIT margin)	65.02%	68.32%
Operating expense ratio TER _{ISA} (GAV) ¹	0.69%	0.69%
Operating expense ratio TER _{ISA} (NAV) ¹	0.91%	0.84%
Return on equity (ROE)	1.95%	1.58%
Return on invested capital (ROIC)	1.98%	1.58%
Dividend yield	2.46%	2.45%
Payout ratio	104.75%	87.23%
Investment yield	2.00%	1.65%
Weighted average term of debt	0.41 years	0.24 years
Interest on debt capital	1.83%	2.03%
Weighted average unexpired lease term (WAULT)	4.40 years	4.67 years
Average discount rate (real) excluding projects ²	2.76%	2.69%
Range of discount rate (real)	2.25% - 3.40%	2.10% - 3.75%

	30.06.2024	30.06.2023
Number of properties	92	91
Market value in CHF million	1 354.1	1 328.8
Number of units	8 933 048	8 776 905

Total portfolio by market region

	Market value 30.06.2024	
	in CHF m	in %
Northwestern Switzerland	397.7	29.4%
Bern	186.2	13.7%
Zurich	332.5	24.5%
Southern Switzerland	35.0	2.6%
Lake Geneva	215.3	15.9%
Western Switzerland	-	-
Eastern Switzerland	132.1	9.8%
Central Switzerland	55.3	4.1%
Total	1 354.1	100%

¹ Expense for non-acquired properties was not taken into account. Due to the low expenses, the key figures in FY 2023/2024 are identical and only differ in the previous year.

TER_{ISA} (GAV) incl. expense for non-acquired properties = 0.69% (previous year 0.72%)

TER_{ISA} (NAV) incl. expense for non-acquired properties = 0.91% (previous year 0.87%)

² The average discount rate (real) incl. projects amounted to 2.74% as at 30 June 2024 and 2.66% as at 30 June 2023

Extract from the portfolio

as at 30 June 2024



Adliswil

Soodstrasse 52A, 52B, 52C



Aigle

Chemin des Lieugex 51A



Basle

Dornacherstrasse 93, 95



Berne

Elisabethenstrasse 30



Emmenbrücke

Gerliswilstrasse 51



Köniz

Haselhofweg 18, 20



Riehen

Gatternweg 9b, 15



Rorschacherberg

Wilenstrasse 9, 11, 13



Urdorf

Baumgartenstrasse 18, 20



Uzwil

Wattstrasse 4, 6



Wettingen

Neufeldstrasse 29



Zurich

Kasernenstrasse 1 / Badenerstrasse 6

Balance Sheet

	30.06.2024	30.06.2023
	CHF	CHF
Current assets	20 262 097	20 163 867
Cash and cash equivalents	4 643 481	2 431 930
Current receivables	14 755 534	17 135 560
Accrued income and prepaid expenses	863 082	596 376
Non-current assets	1 368 826 252	1 345 447 879
Building land (incl. demolition objects)	0	0
Building projects started (incl. land)	46 410 000	60 420 000
Investment properties (incl. land)	1 284 601 000	1 243 368 000
Co-ownership participations	23 057 285	24 980 000
Pre-financed tenant improvements	2 854 942	4 702 218
Indirect real estate investments	11 903 025	11 977 661
Total assets	1 389 088 349	1 365 611 746
Liabilities	-336 254 086	-326 001 331
./. Current liabilities	-10 937 317	-9 016 551
./. Accrued expenses and deferred income	-6 799 717	-3 497 441
./. Mortgage liabilities (incl. other interest-bearing loans and credits)	-295 950 000	-284 450 000
./. Provisions	-1 507 051	-3 981 339
./. Deferred taxes	-21 060 000	-25 056 000
Net assets	1 052 834 263	1 039 610 415

	30.06.2024	30.06.2023
	Number	Number
Units		
Number of outstanding units at the beginning of the reporting period	8 776 905	8 077 139
Changes in the financial year	156 143	699 766
Number of units at the end of the reporting period	8 933 048	8 776 905
	CHF	CHF
Capital value per unit	115.09	115.12
Net income of the financial year per unit	2.77	3.33
Net asset value per unit prior to distribution	117.86	118.45
Distribution	-2.90	-2.90
Net asset value per unit after distribution	114.96	115.55

	30.06.2024	30.06.2023
	CHF	CHF
Change in net assets		
Net assets at the beginning of the financial year	1 039 610 415	964 618 416
Subscriptions	18 054 632	83 061 843
Redemptions	0	0
Distributions	-25 443 710	-24 610 723
Total income of the financial year	20 612 926	16 540 880
Net assets at the end of the financial year	1 052 834 263	1 039 610 415

Income Statement

	01.07.2023 - 30.06.2024	01.07.2022 - 30.06.2023
	CHF	CHF
Rental income net	49 079 384	45 771 770
Target rental income (net); (incl. ancillary costs not charged separately)	51 288 960	49 230 164
Reduced income due to vacancy	-2 092 115	-2 974 279
Rent reductions	-117 460	-484 115
Income from co-ownership shares	618 482	821 661
Income from co-ownership shares	618 482	821 661
Maintenance of properties	-5 742 985	-3 921 886
Maintenance costs	-4 682 192	-3 921 886
Restoration costs	-1 060 792	0
Operating expenses	-5 990 060	-5 295 248
Supply and disposal costs, fees	-54 441	-88 430
Heating and operating costs not chargeable	-1 076 977	-809 013
Losses on receivables, changes in bad debt allowances	-199 445	-17 614
Insurance costs	-838 829	-751 258
Property management fees	-2 402 348	-2 289 562
Rental and insertion costs	-226 799	-258 191
Taxes and duties	-715 628	-716 275
Other operating expenses	-475 593	-364 905
Operating result	37 964 822	37 376 296
Other income	585 280	987 541
Interest income	9	0
Capitalised interest on buildings	152 637	0
Issuance commission for subscriptions	38 770	835 257
Other income	393 864	152 284
Financial expenses	-6 898 495	-3 171 715
Interest on mortgages	-6 741 013	-3 098 238
Bank charges	-11 236	-20 047
Ground rent	-146 246	-53 431
Administrative expenses	-7 153 330	-6 476 169
Advisory, portfolio management and management fees	-5 981 975	-5 307 565
Valuation and audit expenses	-372 600	-222 028
Other administrative expenses	-798 755	-946 577
Income/expenses from changes in units	232 754	463 075
Purchase into current earnings at the issuance of units	232 754	463 075
Net income of the financial year	24 731 030	29 179 028
Realised capital gains and losses	0	433 412
Realised income	24 731 030	29 612 440
Unrealised capital gains/losses on real estate investments	-8 039 469	-19 512 221
Unrealised income from indirect real estate investments	-74 636	577 661
Change in deferred taxes	3 996 000	5 863 000
Total income of the financial year	20 612 926	16 540 880

	01.07.2023 - 30.06.2024	01.07.2022 - 30.06.2023
	CHF	CHF
Appropriation of income		
Net income for the financial year	24 731 030	29 179 028
Balance carried forward from the previous year	7 760 981	4 034 978
Income available for distribution	32 492 011	33 214 006
Income intended for distribution	-25 905 838	-25 453 025
Balance to be carried forward	6 586 174	7 760 981

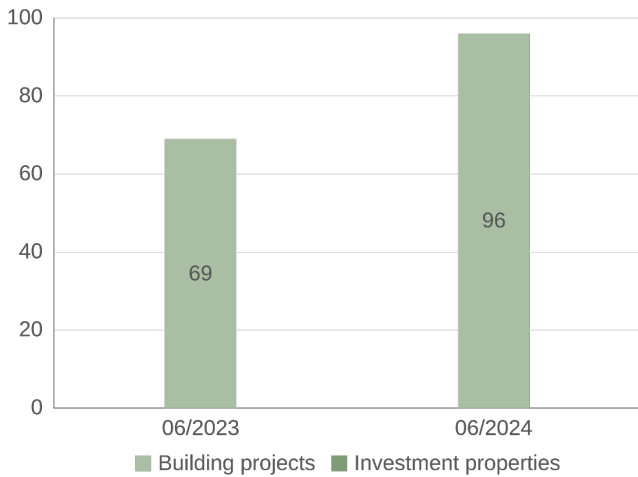
Investment Group
Sustainable Real Estate Projects
Switzerland

Portfolio key figures

as at 30 June 2024

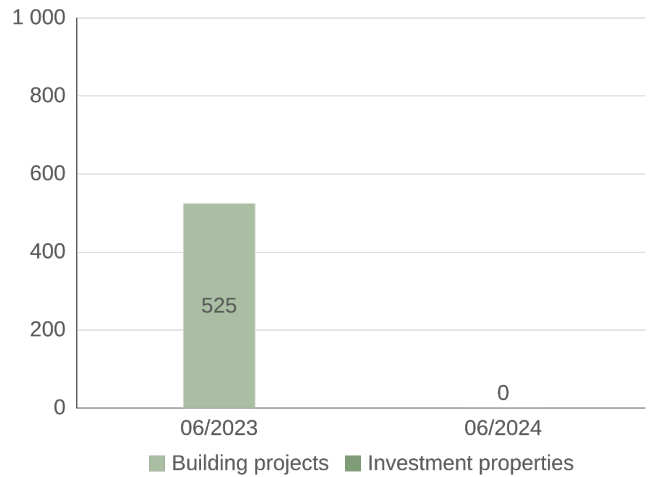
Market value of the properties

in CHF m



Target rental income from interim use p.a.

in TCHF



Overall portfolio (market value) by type of use

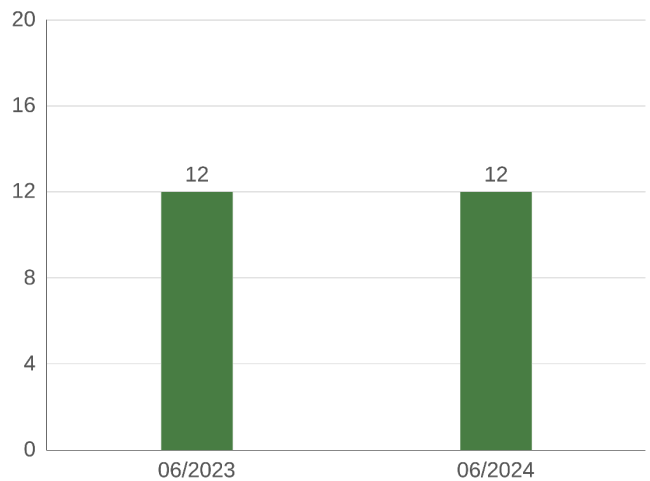
in %



- Building projects, 100%
- Residential properties, 0%
- Commercial properties, 0%
- Mixed-use properties, 0%

Investor Base

in number of institutions in 2nd pillar



The most important key figures of the investment group Sustainable Real Estate Projects Switzerland

	01.07.2023 - 30.06.2024	01.07.2022 - 30.06.2023
Rent default rate	1.27%	0.80%
Borrowing ratio	27.62%	7.26%
Operating profit margin (EBIT margin)	46.02%	41.72%
Operating expense ratio TER _{ISA} (GAV) ¹	0.60%	0.63%
Operating expense ratio TER _{ISA} (NAV) ¹	0.86%	0.74%
Return on equity (ROE)	-0.62%	5.07%
Return on invested capital (ROIC)	0.03%	5.64%
Investment yield	-0.62%	5.07%
Weighted average term of debt	0.13 years	0.17 years
Interest on debt capital	2.08%	2.29%
Average discount rate (real) including projects	2.73%	2.59%
Range of discount rate (real)	2.60% - 2.80%	2.50% - 2.65%

	30.06.2024	30.06.2023
Number of real estate projects	2	2
Market value in CHF million	96.3	68.9
Number of units	557 300	557 300

Total portfolio by market region

	Market value 30.06.2024	
	in CHF m	in %
Northwestern Switzerland	-	-
Bern	-	-
Zurich	32.3	33.5%
Southern Switzerland	-	-
Lake Geneva	-	-
Western Switzerland	-	-
Eastern Switzerland	64.1	66.5%
Central Switzerland	-	-
Total	96.3	100%

¹ Expense for non-acquired properties was not taken into account.
 TER_{ISA} (GAV) incl. expense for non-acquired properties = 0.60% (previous year 0.68%)
 TER_{ISA} (NAV) incl. expense for non-acquired properties = 0.86% (previous year 0.80%)

Portfolio

as at 30 June 2024



Effretikon

Bahnhofstrasse 28



Wil

Untere Bahnhofstrasse 1-11

Balance Sheet

	30.06.2024	30.06.2023
	CHF	CHF
Current assets	389 418	3 009 392
Cash and cash equivalents	216 023	609 330
Current receivables	112 704	152 378
Accrued income and prepaid expenses	60 691	2 247 684
Non-current assets	96 310 000	68 860 000
Building land (incl. demolition objects)	0	0
Building projects started (incl. land)	96 310 000	68 860 000
Investment properties (incl. land)	0	0
Total assets	96 699 418	71 869 392
Liabilities	-38 510 328	-13 315 451
./. Current liabilities	-7 102 815	-3 809 818
./. Accrued expenses and deferred income	-1 050 042	-102 229
./. Mortgage liabilities (incl. other interest-bearing loans and credits)	-26 600 000	-5 000 000
./. Provisions	-3 113 470	-3 889 403
./. Deferred taxes	-644 000	-514 000
Net assets	58 189 091	58 553 941

	30.06.2024	30.06.2023
	Number	Number
Units		
Number of outstanding units at the beginning of the reporting period	557 300	0
Changes in the financial year	0	557 300
Number of units at the end of the reporting period	557 300	557 300
	CHF	CHF
Capital value per unit	104.81	104.07
Net income of the financial year per unit	-0.40	1.00
Net asset value per unit prior to distribution	104.41	105.07
Distribution	0.00	0.00
Net asset value per unit after distribution	104.41	105.07

	30.06.2024	30.06.2023
	CHF	CHF
Change in net assets		
Net assets at the beginning of the financial year	58 553 941	0
Subscriptions	0	55 730 000
Redemptions	0	0
Distributions	0	0
Total income of the financial year	-364 851	2 823 941
Net assets at the end of the financial year	58 189 091	58 553 941

Income Statement

	01.07.2023 - 30.06.2024	01.07.2022 - 30.06.2023
	CHF	CHF
Rental income net	367 922	1 369 454
Target rental income (net); (incl. ancillary costs not charged separately)	372 668	1 380 461
Reduced income due to vacancy	-3 246	-11 006
Rent reductions	-1 500	0
Maintenance of properties	-27 797	-10 077
Maintenance costs	-27 797	-10 077
Operating expenses	-74 504	-377 326
Heating and operating costs not chargeable	-17 239	-1 729
Losses on receivables, changes in bad debt allowances	-20 579	-421
Insurance costs	-11 170	-6 022
Property management fees	-15 861	-15 515
Taxes and duties	967	-3 450
Other operating expenses	-10 621	-350 189
Operating result	265 621	982 051
Other income	390 815	20 049
Interest on assets	16	1
Capitalised interest on buildings	390 799	15 041
Issuance commission for subscriptions	0	0
Other income	0	5 007
Financial expenses	-391 584	-106 880
Interest on mortgages	-390 799	-15 041
Bank charges	-786	-172
Ground rent	0	-91 667
Administrative expenses	-487 118	-339 064
Advisory, portfolio management and management fees	-370 267	-174 945
Valuation and audit expenses	-26 258	-21 000
Other administrative expenses	-90 593	-143 118
Income/expenses from changes in units	0	0
Purchase into current earnings at the issuance of units	0	0
Net income of the financial year	-222 267	556 157
Realised capital gains and losses	0	0
Realised income	-222 267	556 157
Unrealised capital gains and losses	-12 584	2 781 785
Change in deferred taxes	-130 000	-514 000
Total income of the financial year	-364 851	2 823 941

	01.07.2023 - 30.06.2024	01.07.2022 - 30.06.2023
	CHF	CHF
Appropriation of income		
Net income for the financial year	-222 267	556 157
Income earmarked for reinvestment¹	-222 267	556 157

¹ The accrued income/loss will be added to or deducted from the capital value of the investment group.

Information

on the foundation

General information

Legal form	1291 The Swiss Investment Foundation is a foundation according to Art. 80 et seq. of the Swiss Civil Code in conjunction with Art. 53g et seq. of the Federal Act on Occupational Old Age, Survivors' and Disability Insurance.
Purpose	The purpose of the investment foundation is to collectively invest and administer the capital entrusted to it by the investors in real estate.
Founded	2018
Commercial register no.	CHE-230.322.751
Number of products	2
Financial year	1 July to 30 June
Supervisory authority	Occupational Pension Supervisory Commission (OAK BV), Bern

Board of Trustees

President	Dr. iur. Mark Montanari, Attorney-at-law with MLL Meyerlustenberger Lachenal Froriep AG
Vice-President	Albert Leiser, Director of the Association of Home-Owners Zurich, Swiss-certified real estate fiduciary expert
Member	Sandra Wolfensberger, Portfolio Managerin, GAM Investment Management (Schweiz) AG
Member	Rudolf B. Zeller, former managing director of the 1291 The Swiss Investment Foundation and the Zug Pension Fund

Executive Management

Managing Director	Dieter Marmet
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Investment Group Real Estate Switzerland

Investment category	Real estate, mixed use, with a focus on residential use
Region	Switzerland
NAV publication	monthly
Distribution policy	distributing
Securities no.	42726072
ISIN	CH0427260721

Investment Group Sustainable Real Estate Projects Switzerland

Investment category	Sustainable property construction projects, mixed use, with a focus on residential use. The investment group has the option to either keep or sell the completed construction projects as property holdings.
Region	Switzerland
NAV publication	monthly
Distribution policy	accumulating
Securities no.	116649698
ISIN	CH1166496989

Contracted companies

Advisory / Portfolio Management	Nova Property Fund Management AG, Pfäffikon SZ
Accredited appraisal experts Investment Group Real Estate Switzerland	Wüest Partner AG, Zurich (since 01.10.2023) Zürcher Kantonalbank, Zurich (until 30.09.2023) PricewaterhouseCoopers AG, Zurich (secondary appraiser)
Accredited appraisal experts Investment Group Sustainable Real Estate Projects Switzerland	Wüest Partner AG, Zurich Zürcher Kantonalbank, Zurich (secondary appraiser)
Custodian bank	Bank J. Safra Sarasin AG, Basle
Compliance	Huwiler Treuhand AG, Ostermundigen
Accounting	Nova Property Fund Management AG, Pfäffikon SZ
Commercial property administration	Huwiler Services AG, Ostermundigen
Management companies	Bernard Nicod SA, Lausanne Beseder Immobilien GmbH, Adliswil Futuro Immobilien AG, Basle Intercity Bewirtschaftung AG, Zurich (until 30.09.2023) IT3 St. Gallen AG, St. Gallen Mondeva GmbH, Bubikon Nova Property Fund Management AG, Pfäffikon SZ PRIVERA AG, Gümliigen v.Fischer Immobilien AG, Bern (until 31.12.2023) VERIT Immobilien AG, Zurich
Sustainability Committee	Katrin Mark, MRICS, Head of Real Estate and Facility Management, Intep Integrale Planung GmbH
Auditors	BDO AG, Zurich

Publisher

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The annual report (in German) is available at
www.1291ast.ch/anlagestiftung/download-center

Disclaimer

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This report may contain forward-looking statements that are subject to uncertainties and risks. The reader must therefore be aware that such statements may differ from actual and future statements. Forward-looking statements are estimates, assumptions or expectations of possible developments. All statements relating to the future are based on data available to 1291 Die Schweizer Anlagestiftung at the time this report was prepared. 1291 Die Schweizer Anlagestiftung assumes no obligation whatsoever to revise and update any forward-looking statements in this report at a later date as a result of new information, future events or the like.

Image title page: Aigle, Chemin des Lieugex 51A

