

Zurich, 26 August 2024

### **1291 The Swiss Investment Foundation proves reliably robust in a challenging market environment – successful financial year 2023/2024**

**1291 The Swiss Investment Foundation (“1291”) continues to develop positively in a persistently challenging market environment. It was able to sustainably expand its two investment groups in the 2023/2024 financial year and record various rental successes.**

- Investment Foundation proves resilient in a challenging market environment
- Real estate assets under management are up by 4% to CHF 1.45 billion
- **Investment group “Real Estate Switzerland”** with residential share of 60% as at 30 June 2024; Rental income increased by 7% compared to the previous year to CHF 49.1 million; Portfolio consists of 91 investment properties with target rental income of CHF 52.5 million and the new building project “Wächter-Areal” in Zurich-Seefeld
- Stable dividend yield compared to previous year
- Broader earnings as a base for continuous distribution of CHF 2.90 per unit
- Corresponding proposal for distribution of CHF 2.90 per unit for the investment group “Real Estate Switzerland” to the Investors’ Meeting on 18 September 2024
- **Investment group “Sustainable Real Estate Projects Switzerland”** (launched in July 2022) with investments and constructions running according to plan in the financial year 2023/2024; two new building projects valued at CHF 96.3 million as at 30 June 2024 and with an expected investment value of about CHF 185 million following completion; early rental contracts successfully signed

#### **Investment group “Real Estate Switzerland”**

##### Real estate portfolio

During the financial year 2023/2024, 1291 acquired one residential property in Aigle/VD for its investment group “Real Estate Switzerland” and completed the project “Ehden Parc” in Bussigny/VD, which was fully let and reclassified to the investment properties. The market value of the portfolio increased to CHF 1,354.1 million as at 30 June 2024 (30.06.2023: CHF 1,328.8 million). The real estate portfolio of the investment group comprises 92 properties, which are well diversified over the regions of Northwestern Switzerland (29.4%), Zurich (24.5%), Lake Geneva (15.9%), Berne (13.7%), Eastern Switzerland (9.8%), Central Switzerland (4.1%) and Southern Switzerland (2.6%).

Target rental income for investment properties (excluding projects) was increased by 6% compared to the previous year to CHF 52.5 million (2022/2023: CHF 49.5 million), mainly due to the two properties mentioned above and rent adjustments due to index and reference interest rate increases. The share of residential use as a percentage of the target rental income amounts again to the intended 60%. The vacancy rate was reduced by 1.6 percentage points to 3.3%.

##### Result

Net rental income increased by 7% to CHF 49.1 million (2022/2023: CHF 45.8 million). Net income of the 2023/2024 financial year amounted to CHF 24.7 million (2022/2023: CHF 29.2 million). The decline is due, among other things, to higher mortgage interest expenses resulting from the rise in interest rates (CHF +3.6 million) and higher property maintenance costs (CHF +1.8 million). The valuation of the property portfolio by the independent real estate valuer resulted in an unrealised capital loss on the properties of CHF 8.0 million (2022/2023: capital loss of CHF 19.5 million) due to slight increases in the discount rates for individual properties. In relation to the total value of the portfolio, the revaluation of the property portfolio corresponds to a moderate devaluation of 0.6%. The total income for the financial year improved to CHF 20.6 million (2022/2023: CHF 16.5 million).

Net assets of the investment group “Real Estate Switzerland” increased by 1% to CHF 1,052.8 million (30.06.2023: CHF 1,039.6 million). The net asset value per unit prior to distribution amounted to CHF 117.86 (30.06.2023: CHF 118.45). The Board of Trustees will propose an unchanged distribution of CHF 2.90 per unit to the Investors’ Meeting, which will be held on 18 September 2024. Investors will be able to choose between a cash distribution or reinvestment through allocation of new units. The payout ratio is 104.75% with a dividend yield of 2.46%. The ex-date of the distribution is expected to be 24 September 2024 with payment date 26 September 2024.

### **Investment group “Sustainable Real Estate Projects Switzerland”**

1291 launched its investment group “Sustainable Real Estate Projects Switzerland” in July 2022. The investment group focusses on investments in sustainable construction projects with first-class location and property quality. This investment group currently contains two very attractive and sustainable real estate projects in Wil/SG and Effretikon/ZH. Both projects are centrally located, directly in front of the railway stations and will be built in accordance to the Minergie standard and SNBS certified (SNBS: “Standard Nachhaltiges Bauen Schweiz”). Heat generation will be through renewable energies by geothermal probes and heat pumps. In addition, there will be solar panels on the roofs or in the façade for electricity generation.

The two new building projects have an expected investment value of about CHF 185 million, following their completion. The project in Wil 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 to the Thurvita Senior Citizens’ Centre and in the head building, both the catering and office spaces have been rented out. Marketing of the other apartments is scheduled to start in spring of 2025. For the project in Effretikon, a rental agreement with a local supplier has already been concluded (for about 4% of the total expected rental area). The building permit for this project is expected by the end of 2024. Thereafter, construction is scheduled to start at the beginning of 2025 with the aim of completion by mid-2028.

The two new building projects were valued at CHF 96.3 million as at 30 June 2024. Net income for the financial year was CHF -0.2 million and total income CHF -0.4 million. Net assets as at 30 June 2024 amounted to CHF 58.2 million, corresponding to a net asset value of CHF 104.41 per unit (30.06.2023: CHF 105.07). The Board of Trustees proposes to the Investors’ Meeting to deduct the net loss for 2023/2024 from the capital value of the investment group.

### **Sustainability**

Sustainability is an integral part of the business model and long-term investment strategy of 1291. In the 2023/2024 reporting year, 1291 defined a sustainability strategy that provides for a systematic reduction in CO<sub>2</sub> emissions, optimisation of energy efficiency and expansion of renewable energies. SNBS certification is being sought for project developments, while existing investment properties shall be evaluated and assessed by using the Swiss Sustainable Real Estate Index (SSREI). To assess ESG and sustainability performance, 1291 participates in the Global Real Estate Sustainability Benchmark (GRESB). After participating in GRESB for the first time in the year 2023, 1291 is aiming for above-average ESG benchmark performance in the mid-term. The results of GRESB 2024 will be published in Q4/2024.

The Annual Report 2023/2024 including the sustainability report (both in German) and a summary report (in English) are available on the 1291 website at: [www.1291ast.ch/investment-foundation/download-center](http://www.1291ast.ch/investment-foundation/download-center)

### **Investors’ Meeting to be held on 18 September 2024**

The Board of Trustees proposes to the Investors’ Meeting the approval of the 2023/2024 annual financial statements, the distribution of CHF 2.90 per outstanding unit as at 30 June 2024 for the investment group “Real Estate Switzerland”, the deduction of the net income result for the investment group “Sustainable Real Estate Projects Switzerland”, and the re-election of BDO AG, Zurich, as auditor.



Die Schweizer Anlagestiftung

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*1291 Die Schweizer Anlagestiftung (1291 The Swiss Investment Foundation)* is an investment foundation under Swiss law. In its investment group "Real Estate Switzerland", it invests in selected properties with residential, office, service, retail or commercial use throughout Switzerland, with a clear focus and target allocation of at least 60% in residential use. In the second investment group "Sustainable Real Estate Projects Switzerland", the investment focus is on the establishment and expansion of a diversified sustainable real estate portfolio of new construction projects and project developments, whereby residential use shall also be represented with at least 60%. All portfolio properties shall meet key sustainability requirements and thus contribute to ESG in the long-term. The investment foundation is represented in the Conference of Managers of Investment Foundations (KGAST) and is supervised by the Occupational Pension Supervisory Commission (OAK BV).

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