

Media Release

HSC real estate fund with successful business year

Zurich, February 22, 2019 – Helvetica Swiss Commercial fund (HSC) closes its financial year ending 31 December 2018 with a cash dividend of CHF 4.00 per share.

The second financial year was dominated by the focused growth strategy. The portfolio of the HSC Fund was continuously expanded into an attractive, diversified and high-quality property portfolio. The fund portfolio grew to 22 properties and thus to around CHF 430 million, generating an investment return of 5.7%. The properties are located in good Swiss economic regions and generate sustainable income. The fund management benefited from a general increase in demand for office and commercial space in these regions covered by the investment strategy of the HSC Fund.

Annual result 2018 in detail

Income statement

Total fund assets increased by 240 million to 445 million Swiss francs. At the end of December 2018, the fund had a net asset value per unit of 110.00 Swiss francs. This corresponds to an investment return of 5.7% and a return on equity of 5.6%. The 2018 financial period was the calendar year from 1 January to 31 December.

The portfolio holdings at the end of December 2018 led to an increase in net income of around 66% or 5.7 million compared with previous year, to 14.3 million Swiss francs. Based on the previous year's figures, this corresponds to an increase of 8.7 million. The 62.7% increase in rental income to 7.1 million Swiss francs was the main contributor to the positive result.

Balance sheet

The total fund assets reflect the portfolio expansion by 12 new properties compared with the previous year to a total of 22 commercial properties. As a result, fund assets increased by 54% year-on-year from around CHF 205. As at the balance sheet date, the market value of the properties was CHF 427 million (previous year CHF 199 million), cash and cash equivalents CHF 14 million (previous year CHF 6 million) and short-term receivables CHF 4 million (previous year CHF 1 million). The receivables also include advance payments made for two purchases already notarised, for which the contractual transfer of ownership will take place in the course of 2019. After deducting liabilities of 131 million Swiss francs (previous year 69 million) and liquidation taxes of around 8 million (previous year around 5 million), the net fund assets at the balance sheet date amounted to 306 million Swiss francs (previous year 133 million).

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Authorised by the Swiss Financial Market Supervisory Authority FINMA.



Dividend distribution

For the year ended 31 December 2018, a total amount of 11.1 million Swiss francs will be distributed on 28 March 2019. The distribution dividend for the 2018 financial year was increased by 14%. This results in an increase of CHF 0.50 per share, that is from CHF 3.50 to CHF 4.00 and corresponds to a distribution yield of 3.60 % with a distribution ratio of 77.6 %. This result, was achieved despite two capital increases and the issue of a significant number of new shares. The ex-date relevant for the distribution has been set to 28 February 2019.

Further growth

The fund management aims to further expand and diversify the portfolio in line with its investment strategy. In particular, the focus will be on property management and portfolio optimisation. The growth strategy also provides for further capital increases for the purchase of additional properties. For the coming financial year, in addition to a further increase in the dividend, the company also aims to be listed on the SIX Swiss Exchange in the course of 2019.

FOR FURTHER INFORMATION

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You can also find all our press releases at www.HelveticaProperty.com.

Financial reports are available on the fund management's website <http://www.HelveticaProperty.com> or www.swissfunddata.ch.



About Helvetica Property Investors AG

Helvetica Property Investors is an independent partner-owned and managed real estate fund management company regulated by the Swiss Financial Market Supervisory Authority FINMA. Helvetica Property Investors offers the full spectrum of real estate investments, including investment strategies, investment property selection, deal structuring, acquisitions, financing, portfolio management and sales. The firm offers both direct and indirect real estate investments in Switzerland on behalf of its clients. Helvetica Property Investors acts as fund and asset manager for the Helvetica Swiss Commercial real estate fund.



About Helvetica Swiss Commercial Real Estate Fund

The Helvetica Swiss Commercial real estate fund («HSC») and is an open contractual real estate investment fund under Swiss law open to all investors. The fund is suited for long-term value investors interested in a stable and consistent cash-flow. The fund invests in commercial properties with value appreciation potential across the most dynamic economic regions in Switzerland. The focus is on potentially undervalued properties with an attractive cash-flow yield. The fund manager pursues an active hands-on management approach to unlock and realize hidden potential in the properties by means of revitalization, renovations, vacancy reductions and lease extensions. The long-term goal is to build a broadly diversified portfolio by region, type of use, object size and tenant mix.

