

## Media release

Zurich, 18 April 2023

### **SFP Investment Foundation: successful reporting year for 2022**

- SFP Investment Foundation recorded encouraging performance results in a changed market environment
- Total assets under management increased to CHF 777.0 million
- Successful financial year for the SFP AST Swiss Real Estate investment group, which increased in portfolio value by 39.5% to CHF 536.0 million and maintained a consistently low vacancy rate of 1.1% on the reporting date
- SFP AST Global Core Property achieved a strong relative net total return for the 2022 calendar year and enhanced its portfolio fundamentals

The SFP AST Swiss Real Estate investment group achieved an investment return of 3.73% in the reporting year and increased its annual expected rental income by 35.9% from CHF 13.8 million to CHF 18.8 million. The SFP AST Global Core Property (Hedged CHF and Unhedged) investment groups achieved respective net total returns of 2.4% (Class C) and -0.6% (Class B), despite the challenging market environment. The Hedged group has a high occupancy rate (93.9%), long WAULT (6.5 years) and low loan-to-value ratio (23.3%).

#### **SFP AST Swiss Real Estate investment group**

##### **Real estate portfolio**

Nine properties were integrated into the investment group in the 2022 financial year. With Root, Längenbold 5 and Zurich, Badenerstrasse 155, two exciting realignments were realised. On the balance sheet date, the investment group comprised 33 properties with a market value of CHF 536.0 million (+39.5%).

The core/core+ strategy was consistently pursued in further growth and is reflected in the low vacancy rate of only 1.1% and a long WAULT of 6.5 years on the balance sheet date. The key figures underline the good locations and quality of the properties in the investment group and ensure sustainable returns for investors.

## Financial result

A total of CHF 188.9 million in capital was successfully called up and invested in the SFP AST Swiss Real Estate investment group. As a result of the capital calls, the investor base was further expanded, and more than 100 investors are now invested in the investment group. The assets under management (AuM) of the investment group thus increased by CHF 151.9 million (39.5%) to CHF 562.1 million over the year.

Rental income increased by 35.9% to CHF 18.8 million (previous year: CHF 13.8 million) in the financial year just ended.

The average total assets amount to CHF 465.0 million (previous year: CHF 284.7 million). The average net assets amount to CHF 372.7 million (previous year: CHF 259.0 million). The operating expense ratios TER ISA GAV 0.57% (previous year: 0.65%) and TER ISA NAV 0.71% (previous year: 0.72%) were maintained at a low level.

The investment return at the end of the year was 3.73% (previous year: 4.86%). As the investment group was accumulating in the first three years, the net asset value at the end of the year was CHF 1 170.35, and the net income per unit for the 2022 financial year was CHF 30.4 (+4%). The first distribution for the 2022 financial year is CHF 28.00. Investors have the choice between distribution or reinvestment. A distribution rate of 92% results in a distribution yield of 2.4%.

## SFP AST Global Core Property investment groups

### Fund update and annual review

Despite the turbulence in the financial markets and the outward movement of property yields, our global, core strategy was able to generate a positive performance result. SFP AST Global Core Property (Class C Hedged CHF) delivered a net total return of 2.4% in 2022. On a relative basis (i. e. compared to other asset classes), this represents a robust performance figure for the 2022 calendar year. The annualised two-year performance of 6.0% (Class C Hedged CHF) sits at the top end of our long-term net total return target of 4.0 – 6.0% per annum. We expect property valuations to stabilise in 2023, provided that the interest rate environment steadies and a new real estate pricing level is formed. We continue to believe that core real estate strategies offer the most protection in the current climate. A core approach benefits from conservative financing, low exposure to developments and stable cash flows. Furthermore, the product's ESG focus was rewarded by a score of 86 out of a maximum possible 100 points in the 2022 GRESB Assessment.

The AuM of the investment groups SFP AST Global Core Property totalled CHF 214.9 million. The SFP AST Global Core Property Hedged CHF investment group recorded total assets of CHF 181.6 million at year-end and the investment group SFP AST Global Core Property amounted to CHF 33.4 million at the end of the year. The operating expense ratios (TER ISA NAV) for 2022 were 1.57% for SFP AST Global Core Property Hedged CHF (Class C) and 1.58% for SFP AST Global Core Property (Class B).

### **Investors' Meeting**

The Board of Trustees recommends that the annual report, including the financial statements, be approved at the Investors' Meeting on 26 May 2023. On our website [www.sfp-ast.ch](http://www.sfp-ast.ch) you will find the annual report 2022 as well as the presentation of the Board of Trustees from 29 May 2023.

### **Further information**

More details about the investment universe, investment guidelines and framework conditions can be found in the relevant prospectus at [www.sfp-ast.ch](http://www.sfp-ast.ch).

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### **SFP AST Swiss Real Estate**

SFP AST Swiss Real Estate offers Swiss employee pension funds a portfolio that is diversified throughout Switzerland. The investment group's strategy is to invest directly in Swiss real estate. The investment is intended for pension funds as well as other tax-exempt occupational pension schemes based in Switzerland, including all tax-exempt Pillar 2 schemes domiciled in Switzerland. You can find out more at [www.sfp-ast.ch](http://www.sfp-ast.ch).

### **SFP AST Global Core Property**

SFP AST Global Core Property Hedged CHF offers Swiss pension funds access to a global, broadly diversified portfolio of real estate funds. The investment group invests exclusively in unlisted, open-ended core real estate funds. Its low-risk investment strategy focuses on stable returns, balanced diversification, and sustainability.

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