



***SCHRODER IMMOPLUS***

Swiss Real Estate Conference 2024

**Fund Manager: Roger Hennig**  
**Schroder Investment Management (Switzerland) AG**

Schroders  
capital



***REAL ESTATE MARKET  
SWITZERLAND***

# Real Estate Market Switzerland

A summary of the current situation and forecast

## Swiss real estate market is experiencing a positive outlook

- **Solid economic development:** robust growth with GDP increasing by 0.7% in Q2 2024
- **Positive forecasts:** GDP growth for the full year 2024 is projected at 1.4% and for 2025 at 1.5%
- **Interest rate adjustments:** Swiss National Bank has further reduced rates, indicating that additional rate cuts may be necessary
- **Decreasing inflation rates:** inflation is expected to remain below 1% in Q1 2025 (October 2024 at 0.6%)
- **Migration trends:** migration is expected to remain strong in the coming years
- **Low vacancy rates:** particularly in central locations where demand is high
- **Significance of ESG credentials:** essential for successful leasing and value of properties
- **Attractive Life Science sector:** characterised by creditworthy tenants and long-term leases; we plan to increase our allocation in this sector
- **Active management:** key driver for performance and further improvement of quality and ESG credentials

Source: Swiss Federal Statistical Office, Consensus Economics, October 2024.

Note forecasts should be regarded as illustrative of trends. Actual figures will differ from forecasts. Please see important information regarding forecasts

# Market Situation in Switzerland

## Development of the Swiss franc

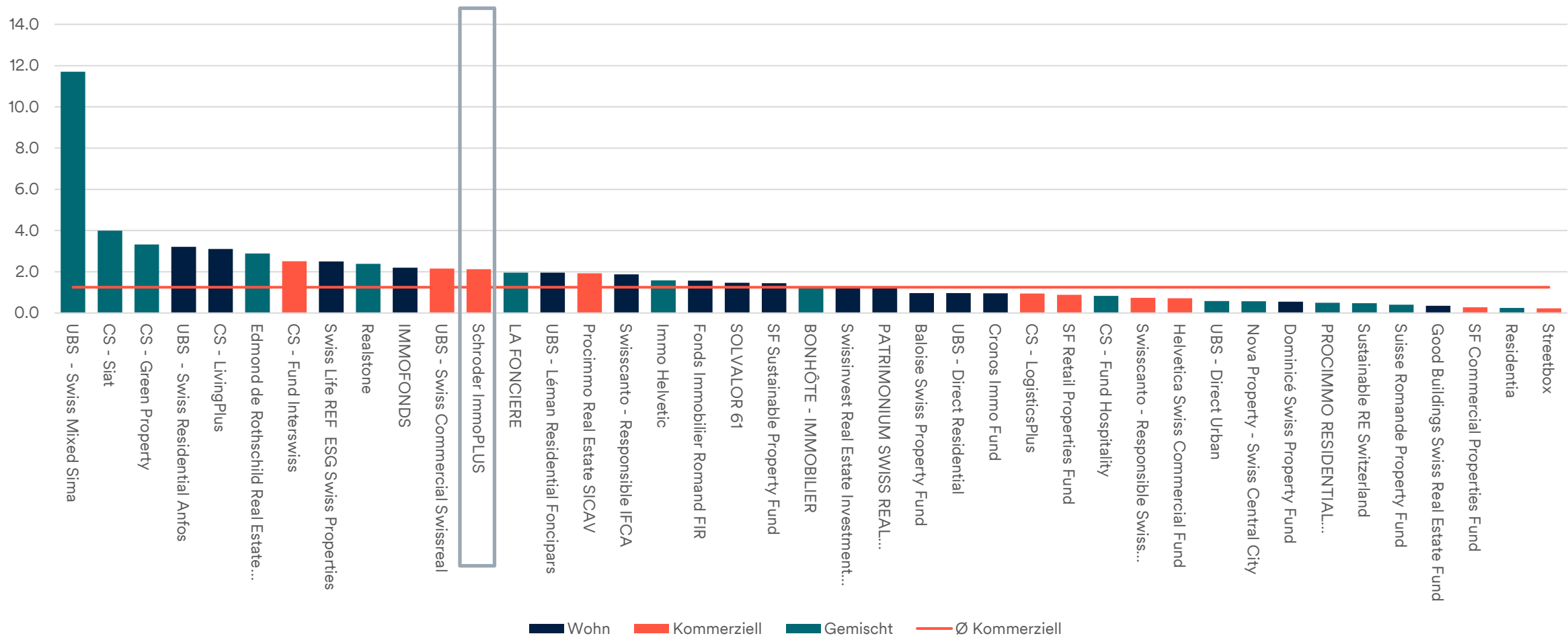
### Swiss National Bank Trade Weighted Overall Index – Real, CPI based



Source: Swiss National Bank, December 2000 = 100, September 2024

# Comparison of real estate funds – Asset under Management

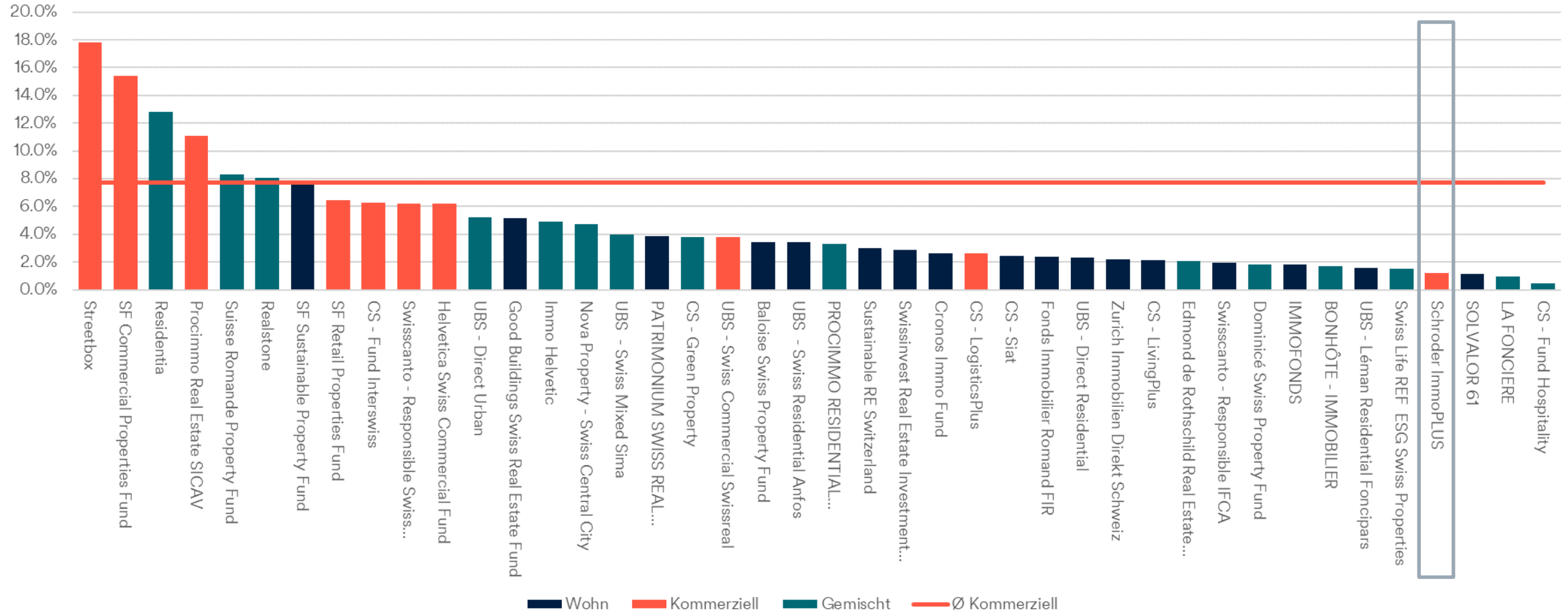
Schroder ImmoPLUS: CHF 2'120.2 m



Source: Schrodgers Monitoring, October 2024

# Comparison of real estate funds – Vacancy rate

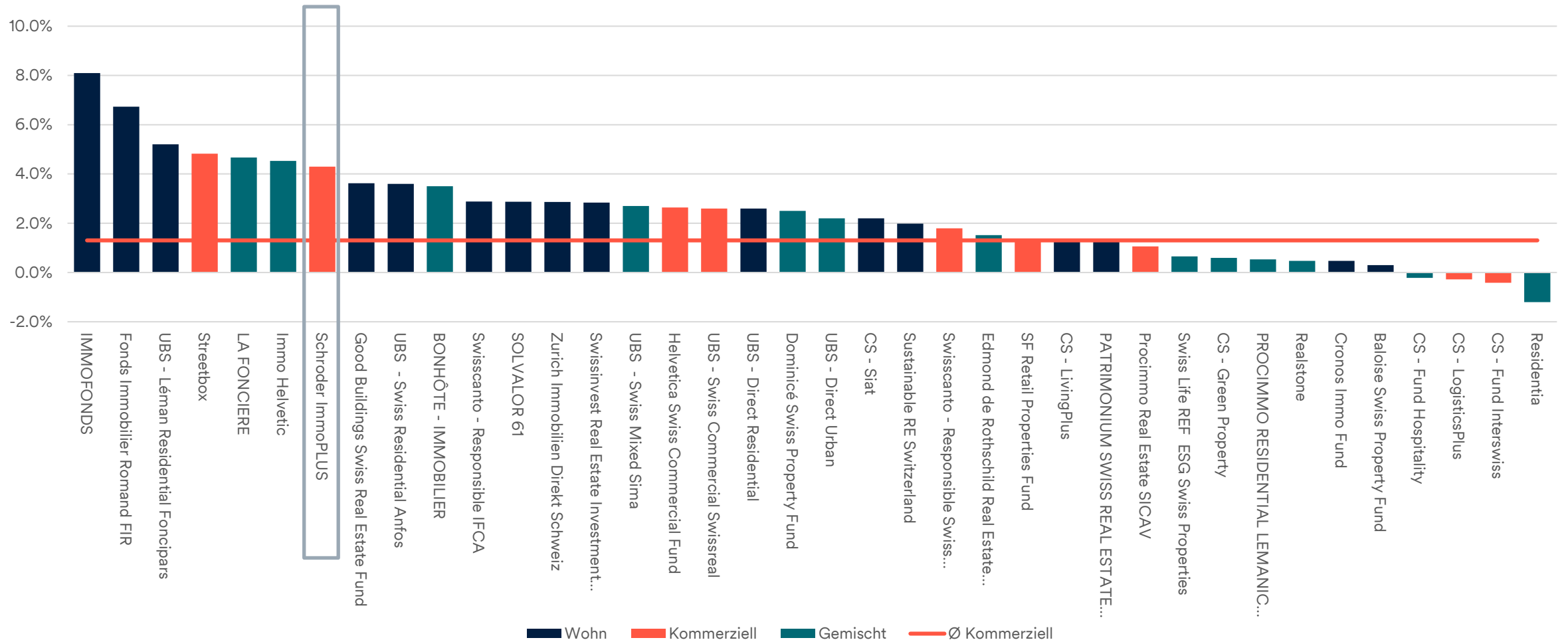
Schroder ImmoPLUS: 1.2%



Source: Schroders, Alphaprop AG, October 2024

# Comparison of real estate funds – Return on investment

Schroder ImmoPLUS: 4.3%



Quelle: Schrodgers, Alphaprop AG, October 2024



***PORTFOLIO UPDATE***

As per 30.09.2024





# Outlook annual report 2023/24

Summary as of 30.09.2024 - unaudited figures \*

## Positive annual result

- Increased overall total profit versus prior year, exceeding CHF 65.2 million
- Delivered net income of CHF 63.7 million in line with the previous year
- Return on investment increased from 1.9% in previous financial year to 4.3%
- Maintained a very low vacancy rate of 1.2%

## Planned acquisition

- Acquisition of a Life Science building in the canton of Zurich
- Market value of approx. CHF 170 million, net yield of approx. 4%
- Lease duration of 25 years with indexation of 100%
- Successful signing end of October; closing is expected by the end of November

## Disposals

- Sale of two office buildings in Vevey and Morges (main tenant Credit Suisse – new UBS)
- Sale dates: Morges as per 29.02.2024, Vevey as per 01.04.2024
- Potential disposal of another UBS building by the end of this year

## Sustainability

- GRESB rating of 5 stars maintained
- Planned replacement of all fossil heating systems by 2032
- First-time publication of the CO<sup>2</sup> net-zero pathway with this year's annual report

Source: Schroders, November 2024. \* These are unaudited figures. They may differ from the final figures, which are expected to be published on 19th November.

# Schroder ImmoPLUS: Portfolio

Unaudited\* key figures as of 30.09.2024



**49 | 10**

Properties | Cantons

**6.6** years

WAULT \*\*

**1.2%**

Vacancy Rate

**5 stars**

GRESB – 89 Points

**CHF 63.7** million

Net income

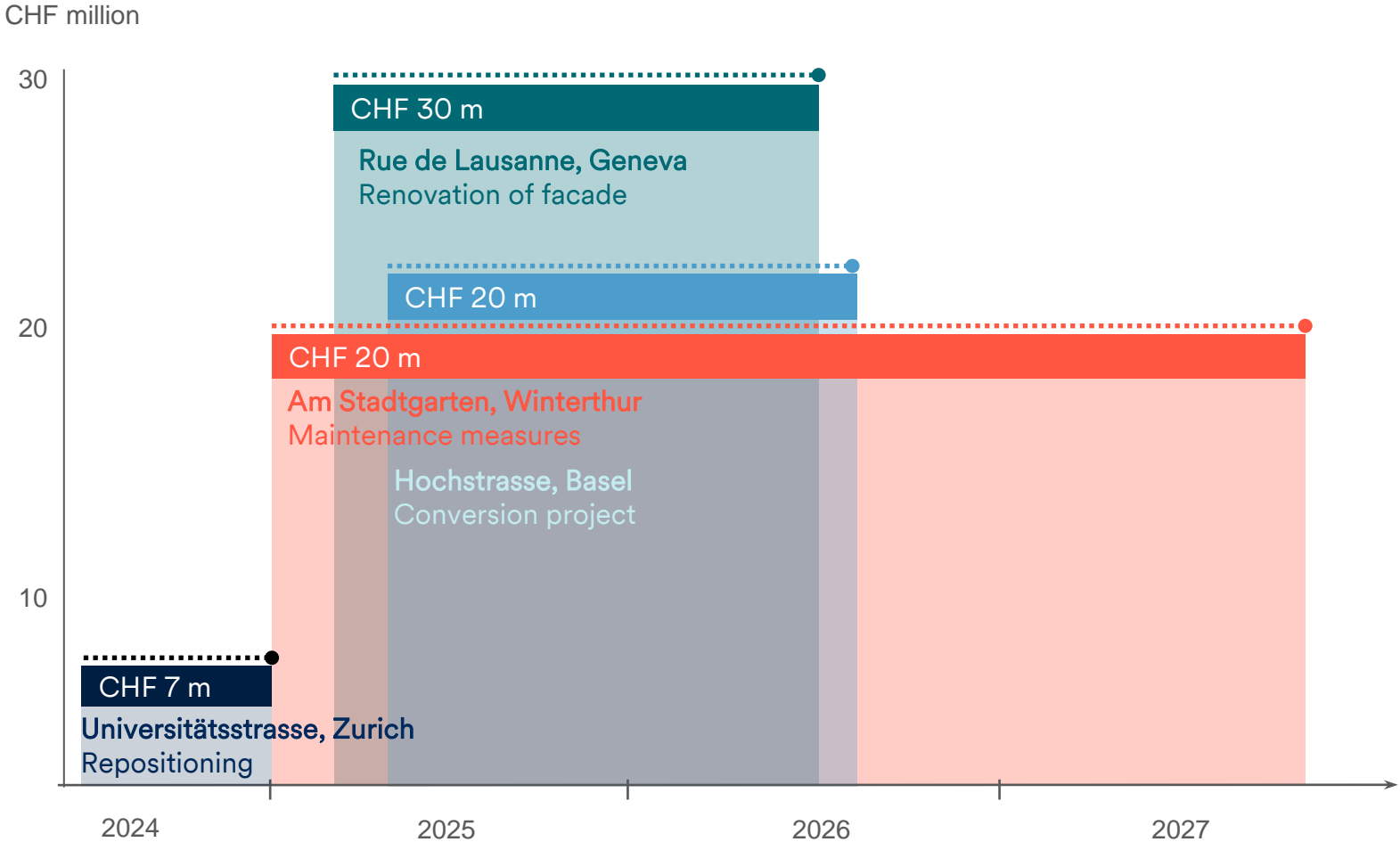
**CHF 65.2** million

Total Profit

Source: Source: Schroders, November 2024. \*These are unaudited figures. They may differ from the final figures, which are expected to be published on 19th November / \*\*Weighted Average Unexpired Lease Term

# Projects for future growth





Improve long-term income through active management



11 Source: Schroders, November 2024. References to these assets are for illustrative purposes. Subject to change.

# Universitätstrasse, Zurich

## Office – energy concept 2226®

	<b>Strategy</b>	Repositioning with a sustainable energy concept
	<b>Timeline</b>	October 2023 – December 2024
	<b>Investment</b>	Approx. CHF 7 million
	<b>Performance</b>	Contractual rental increase of > 30% after completion





### Comprehensive renovation with integrated 2226 building concept

- The renovation project will be completed in December 2024
- The building is fully let to a single-tenant from October 2024
- The integrated 2226® building concept will maintain a comfortable indoor temperature between 22 and 26 degrees year-round
- The building concept will be implemented using geothermal probes, which will be powered by the newly installed solar system on the facade
- Significantly reduced energy consumption and emissions
- A BREEAM Refurbishment Outstanding certification is being pursued



# Rue de Lausanne, Geneva

Office – comprehensive renovation including facade

	<b>Strategy</b>	Facade refurbishment and re-letting
	<b>Timeline</b>	Beginning of 2025 – summer 2026
	<b>Investment</b>	Approx. CHF 30 million
	<b>Performance</b>	Value increase by around 10%





## Building renovation in strategically important location

- Building permit for significant visual improvements alongside technical upgrades is expected in November 2024
- Facade renovation from early 2025, with photovoltaic panels on the roof
- 20 years of tax holiday by achieving HPE (haute performance énergétique) certificate
- Removal of balcony row on the 2<sup>nd</sup> floor enables expansion of rental space
- Upgrading of premises through improved daylight
- Vacant office spaces will be modernised and will come onto the market by end-2025



# Hochstrasse, Basel

## Office – Conversion to Serviced Apartments

	<b>Strategy</b>	Conversion from office to serviced apartments
	<b>Timeline</b>	Summer 2025 – summer 2026
	<b>Investment</b>	Approx. CHF 20 million
	<b>Performance</b>	Expected rental increase of approx. 60% after completion




### Conversion of the office property to a City Hub with a hotel

- Building permit is expected by the end of 2024
- Integration of a midscale hotel with approximately 130 units over 4 floors and public areas on the ground floor
- A diversified use is planned for the remaining spaces on the ground floor and basement to complement the hotel
- Construction is expected to begin early 2025, with completion anticipated by summer 2026
- Significant value creation is expected through an increase in rental income



# Am Stadtgarten, Winterthur

## Retail – Extension and Multi-Community

	<b>Strategy</b>	Extension of building and increase use diversification
	<b>Timeline</b>	Amendment of timeline due to lease extension
	<b>Investment</b>	Approx. CHF 20 million

### Amendment of timeline due to lease extension


- Lease agreement with anchor tenant Manor has been extended for an additional 10 years, until 2036
- Due to this extension, timeline of project will be amended
- The submission of the building application will be deposited in 2025
- Various maintenance measures are planned in preparation for the construction project
- For the realisation of the project a staggered approach is being considered

Source: Schroders, November 2024. References to these assets are for illustrative purposes. Subject to change.



# Schroder ImmoPLUS: GRESB

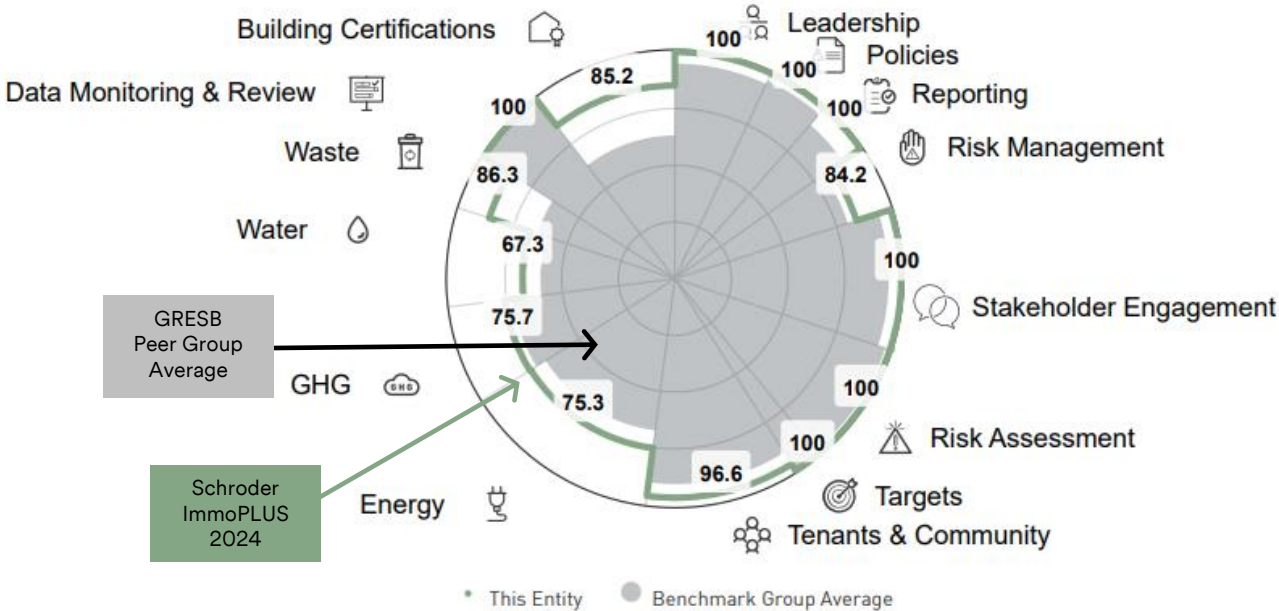
Schroder ImmoPLUS GRESB certified with 5 Green Stars

- GRESB 2024: 5 Green Stars 
- GRESB participation since 2017
- ISO 14001 certified

## Schroder ImmoPLUS GRESB Scores 2024



## Schroder ImmoPLUS vs. Peer Group Average GRESB Scores 2024



Source: Schrodgers, GRESB Benchmark Report 2024, November 2024.





***OUTLOOK***

# Outlook

Strengthening portfolio through strategic expansion, enhanced risk profile and active management  
(unaudited figures\*)



## Portfolio Expansion

- Signing completed for a life science asset in the canton of Zurich
- Single tenant with a 25-year lease
- Asset is valued at approx. CHF 170 million, with a yield of 4%
- Closing expected until year-end
- LTV\*\* expected to increase to 25%
- Life Science sector will increase to ca. 17%



## Risk Profile Improvement

- Ongoing reduction of UBS exposure through targeted disposals and re-positioning
- Sale of two properties in Vevey and Morges earlier this year
- Potential sale of another UBS asset planned for the company year 24/25
- UBS exposure to drop to approx. 6% due to lease expiry in Geneva



## Active Management

- Total vacancy rate will remain stable at around 1%
- An additional 3% strategic vacancy rate is projected for early 2025 due to construction works and UBS lease expiry in Geneva
- Active management is key driver for performance and further improvement of quality and ESG credentials



# Schroder ImmoPLUS

## Annual Report

**19.11.2024**

Publication of annual report \*

**26.11.2024**

Presentation of results

Location: new Schrodgers office at Schanzenhof, Talstrasse 11, Zurich \*

**Registration for the results presentation on 26.11.2024 at 11am  
via [swiss.realestate@schrodgers.com](mailto:swiss.realestate@schrodgers.com)**



***FURTHER INFORMATION***

# A STRONG AND EXPERIENCED TEAM

## Fund Manager

**Roger Hennig**

E-Mail: [roger.hennig@schroders.com](mailto:roger.hennig@schroders.com)

Tel: 044 250 12 91

## Asset Managers

**Daniel Marty**

E-Mail: [daniel.marty@schroders.com](mailto:daniel.marty@schroders.com)

Tel: 044 250 12 15

**Christina Klass**

E-Mail: [christina.klass@schroders.com](mailto:christina.klass@schroders.com)

Tel: 044 250 10 00

**Tina Stoop**

E-Mail: [tina.stoop@schroders.com](mailto:tina.stoop@schroders.com)

Tel: 044 250 17 74

## Transactions

**Lukas Vytisk Souffray**

E-Mail: [lukas.vytisk@schroders.com](mailto:lukas.vytisk@schroders.com)

Tel: 044 250 17 67

## Distribution

**Christian Bohren**

E-Mail: [christian.bohren@schroders.com](mailto:christian.bohren@schroders.com)

Tel: 044 250 16 21





***IMPORTANT INFORMATION***

# Important Information



This document constitutes marketing material. It is for information purposes only.

None of the information in this document constitutes a solicitation, an offer or a recommendation to buy or sell any Schroder funds or other financial instruments, to effect any transactions, or to conclude any legal act of any kind whatsoever. The information does not take into account any personal circumstances and does not qualify as general or personal investment recommendation or advice.

The information contained herein has been taken from sources, which we deem reliable. We do not represent that such information is accurate or complete and it should not be relied upon as such. Any opinions expressed herein reflect our current judgement and may be subject to change.

Investments or other decisions should be made solely on the basis of the relevant fund or product documents. It is important that you read such documents before you make any investment to ensure that you understand the specific risks involved and other important matters. We recommend that you contact an independent financial advisor, tax consultant or other qualified expert in order to determine whether an investment in a particular financial instrument corresponds to your specific requirements and preferred level of risk. We do not provide investment, legal, tax or other advice through this document and nothing herein should be construed as such advice.

The Schroder ImmoPLUS (the «Fund») is a contractual investment fund of the type «real estate fund» according to the Federal Act on Collective Investment Schemes. Schroder Investment Management (Switzerland) AG, Zurich, is the fund management company («Fund Management Company») and Zürcher Kantonalbank, Zurich, is the depositary bank of the Fund. The prospectus with integrated fund contract, the simplified prospectus as well as the annual and semi-annual reports («Fund Documents») may be obtained free of charge from the Fund Management Company.

This document may not be reproduced, copied, distributed or otherwise transmitted either in whole or in part to any third party without the explicit written consent of Schroder Investment Management (Switzerland) AG.

All statements, opinions and views contained in this document relating to future events or the possible future performance of the Fund merely represent the Fund Management Company's own assessment and interpretation of information that was available to it at the relevant time and are subject to change at any time without notice. No representation is made or assurance is given that such statements, opinions and views are correct, or that the underlying information is accurate.

Statements regarding the past performance may not be understood as indication for the current or future performance. The value of investments and the income therefrom may fluctuate. A good past performance may possibly not be repeated in the future. It is possible that the investors will not be paid back the full amount invested. Performance data does not take into account any commissions and costs incurred by investors when subscribing or redeeming units of a fund.

Third party data is owned or licensed by the data provider and may not be reproduced or extracted and used for any other purpose without the data provider's consent. Third party data is provided without any warranties of any kind. The data provider and issuer of the document shall have no liability in connection with the third party data. The Prospectus and/or [www.schroders.ch](http://www.schroders.ch) contains additional disclaimers which apply to the third party data.

This document has been issued by Schroder Investment Management (Switzerland) AG, Central 2, CH-8001 Zurich, Switzerland a fund management company authorised and supervised by the Swiss Financial Market Supervisory Authority FINMA, Laupenstrasse 27, CH-3003 Bern.

*THANK YOU*



*BUILDING  
CHANGE*

**Schroders**  
capital