

# Credit Suisse Real Estate Fund International

Investment fund under Swiss law of the  
“Real estate funds” category  
for qualified investors

Unaudited Semi-Annual Report  
June 30, 2023



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This report is an English translation of the original German version.

In case of discrepancies the original version takes precedence.

# Information in Brief

<b>Key Data</b>		<b>30/6/2023</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
Swiss security no. 1 968 511				
Fund units issued		–	–	–
Fund units redeemed		–	–	–
Number of units in circulation		3 057 409	3 057 409	3 057 409
Net asset value per unit (incl. distribution)		CHF 876.76	961.39	1 070.72
Issue price per unit		CHF 890.00	975.00	1 085.00
Redemption price per unit		CHF 830.00	910.00	1 010.00
Closing price (bid price)		CHF 680.00	780.00	1 055.00
Highest price (in review period)		CHF 830.00	1 095.00	1 135.00
Lowest price (in review period)		CHF 630.00	725.00	1 025.00
Market capitalization (MV)		CHF 2 079.0 mio.	2 384.8 mio.	3 225.6 mio.
Discount		–22.44%	–18.87%	–1.47%
<b>Statement of Assets</b>		<b>30/6/2023</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
Market value of properties		CHF 3 399.0 mio.	3 675.0 mio.	4 205.5 mio.
Average real discount rate		4.73%	4.51%	4.37%
Acquisition costs of properties		CHF 3 465.5 mio.	3 561.2 mio.	3 752.0 mio.
Total assets		CHF 3 886.0 mio.	4 181.4 mio.	4 691.6 mio.
Third-party borrowings: <sup>1</sup>				
– in % of investment costs		27.51%	27.55%	28.79%
– in % of aggregate market value		28.04%	26.70%	25.69%
Debt as a percentage of total assets		30.79%	29.49%	29.99%
Interest on borrowed funds		2.94%	2.27%	2.14%
Remaining term to maturity of borrowed funds		Years 2.29	2.29	2.69
Net asset value (NAV) attributable to the unitholders of the Fund		CHF 2 680.6 mio.	2 939.4 mio.	3 273.6 mio.
<b>Return and Performance Data</b>		<b>30/6/2023</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
Distribution		CHF n/a	35.00	40.00
Distribution yield		n/a	4.49%	3.79%
Distribution ratio		n/a	103.97%	102.74%
Return on equity (ROE) attributable to the unitholders of the Fund		–5.16% <sup>2</sup>	–6.35%	3.37%
Return on invested capital (ROIC) attributable to the unitholders of the Fund		–3.41% <sup>2</sup>	–4.19%	2.98%
Return on investment		–5.39% <sup>2</sup>	–6.76%	3.46%
Performance		–8.49% <sup>2</sup>	–23.09%	5.34%
EBIT margin		67.66%	65.53%	68.74%
Total expense ratio Gross Asset Value (TER <sub>REF</sub> GAV)		0.95%	0.90%	0.84%
Total expense ratio Market Value (TER <sub>REF</sub> MV)		1.67%	1.44%	1.16%
Price/earnings ratio (P/E Ratio)		–6.85	–11.47	29.17
Price/cash flow ratio		9.43	12.02	32.55
<b>Statement of Income</b>		<b>30/6/2023</b>	<b>30/6/2022</b>	<b>30/6/2021</b>
Net income total		CHF 51.5 mio.	55.7 mio.	58.1 mio.
Realized capital gains/losses		CHF 55.6 mio.	–98.3 mio.	–89.6 mio.
Rental income		CHF 101.8 mio.	108.0 mio.	115.9 mio.
Rent default rate		8.75%	7.94%	7.03%
Weighted average unexpired lease term (WAULT)		Years 4.58	4.88	4.81
Maintenance expense		CHF 15.7 mio.	11.8 mio.	13.6 mio.

<sup>1</sup> Permitted weighting: one third of aggregate market value (Art. 65 para. 2 CISA / Art. 96 para. 1 CISO)

<sup>2</sup> Calculation for six months (1/1/–30/6/2023)

# Management and Statutory Bodies

**Management Company** Credit Suisse Funds AG, Zurich

<b>Board of Directors</b>	<ul style="list-style-type: none"><li>■ <b>Andreas Binder (from November 1, 2022, and from March 1, 2023, Chairman)</b> Relevant activities outside the fund management company: Partner at Binder Rechtsanwälte KLG, Baden; lecturer at the University of St. Gallen; Chairman of the Board of Directors of Binder &amp; Partner AG, Baden; Chairman of the Board of Directors of MDE Beteiligungen AG, Baden; Chairman of the Board of Directors of Swiss-MediaForum AG, Baden</li><li>■ <b>Luca Diener, Vice-Chairman</b> Relevant activities outside the fund management company: Managing Director, Diener Financial Consulting, Zurich</li><li>■ <b>Jürg Roth, Member</b> Relevant activities outside the fund management company: Managing Director of Credit Suisse (Switzerland) Ltd., Zurich; Member of the Board of Trustees of the Credit Suisse Investment Foundation, Zurich; Member of the Board of Directors of AXA Pension Solutions AG, Winterthur; Member of the Board of Trustees of the Credit Suisse Investment Foundation Pillar 2, Zurich</li></ul>	<ul style="list-style-type: none"><li>■ <b>Patrick Tschumper (until February 28, 2023, Chairman ad interim and from March 1, 2023, member)</b> Relevant activities outside the fund management company: Managing Director of Credit Suisse (Switzerland) Ltd., Zurich</li><li>■ <b>Thomas Vonaesch, Member</b> Relevant activities outside the fund management company: Chairman of the Board of Directors of Helvetia Asset Management AG, Basel</li><li>■ <b>Hans Peter Bär (from April 5, 2023), Member,</b> Relevant activities outside the fund management company: Managing Director of Credit Suisse (Switzerland) Ltd., Zurich; Member of the Board of Directors of MultiConcept Fund Management S.A., Luxembourg</li></ul>
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<b>Executive Board</b>	<ul style="list-style-type: none"><li>■ <b>Thomas Schärer, CEO</b> No relevant activities outside the fund management company</li><li>■ <b>Emil Stark, Deputy CEO and Head of Fund Solutions AM</b> Relevant activities outside the fund management company: Credit Suisse representative in various fund structures domiciled in Luxembourg and Ireland</li><li>■ <b>Christian Bieri, Member, Real Estate Fund Management</b> No relevant activities outside the fund management company</li><li>■ <b>David Dubach, Member, Oversight &amp; ManCo Services</b> No relevant activities outside the fund management company</li><li>■ <b>Marcus Eberlein, Member, Performance &amp; Risk Management</b> No relevant activities outside the fund management company</li></ul>	<ul style="list-style-type: none"><li>■ <b>Gilbert Eyb, Member, Legal</b> No relevant activities outside the fund management company</li><li>■ <b>Naftali Halonbrenner, Member, Fund Administration</b> No relevant activities outside the fund management company</li><li>■ <b>Hans Christoph Nickl, Member, COO</b> No relevant activities outside the fund management</li><li>■ <b>Ralph Warth, Member, Fund Solutions PLF</b> Relevant activities outside the fund management company: Member of the Board of Directors of Postbank SICAV, Luxembourg; Managing Director of RLW – Rare Limited Whisky LLC, Lachen</li><li>■ <b>Gabriele Wyss, Member, Compliance</b> No relevant activities outside the fund management company</li></ul>
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**Custodian Bank** Credit Suisse (Switzerland) Ltd., Zurich

**Audit Company** PricewaterhouseCoopers AG, Zurich



# Information on Third Parties

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## Accredited Valuation Experts

With the approval of the supervisory authority, the fund management company appointed Wüest Partner AG in Zurich as the appraiser. Wüest Partner AG mandated the following persons to carry out the work:

- **Andreas Ammann**, architect (ETH degree, SIA)
- **Gino Fiorentin**, architect (HTL degree), MAS ETH MTEC, Wüest Partner AG, Zurich
- **Pascal Marazzi-de Lima**, architect (ETH degree), Wüest Partner AG, Zurich

Precise details of how the remit is to be fulfilled are laid down in an agreement between the fund management company and Wüest Partner AG.

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## Delegation of Further Responsibilities

The fund management company has delegated the investment decisions to Credit Suisse Asset Management (Switzerland) Ltd., Zurich, as asset manager.

The fund management company has delegated certain fund administration duties to the following group companies of Credit Suisse Group AG (until June 12, 2023) or UBS Group Inc. (from June 12, 2023):

- **Credit Suisse AG, Switzerland:**  
Specific tasks such as providing legal and compliance advice, facility management and the Management Information System (MIS).
- **Credit Suisse (Switzerland) Ltd., Switzerland:**  
Specific duties in relation to the provision of compliance advice, human resources, collateral management, IT services and first line of defense support (FLDS).
- **Credit Suisse Asset Management (Switzerland) Ltd., Switzerland:**  
Real estate administration (including fund and real estate accounting and property management).
- **Credit Suisse Services Ltd., Switzerland:**  
Specific tasks in relation to the provision of compliance advice, managing the fund management company's finances and tax advice.
- **Credit Suisse Fund Services (Luxembourg) S.A., Luxembourg:**  
Specific tasks in relation to fund accounting and support in monitoring compliance with the investment regulations.
- **Credit Suisse (Poland) Sp.z.o.o., Poland:**  
Specific tasks in relation to fund accounting, information management (including product master data, price publications, fact sheet production, KID production and report preparation), legal reporting and other support tasks.

Precise details of how the remit is to be fulfilled are laid down in an agreement between the fund management company and the aforementioned group companies. Further specific tasks may be delegated to the aforementioned group companies.

Real estate management and technical maintenance tasks are delegated to the following companies:

- **Australia**  
Jones Lang LaSalle (QLD) Pty Ltd.
- **Germany**  
BNP Paribas Real Estate Property Management GmbH  
Multi Germany GmbH  
STRABAG Property and Facility Services GmbH
- **Great Britain**  
BNP Paribas Real Estate Advisory & Property Management UK Ltd.
- **Ireland**  
Jones Lang LaSalle Ltd.
- **Japan**  
Savills Asset Advisory Co., Ltd.  
EGW Asset Management Inc.  
CBRE K.K.
- **Canada**  
Colliers Macaulay Nicolls Inc.
- **New Zealand**  
CBRE Ltd.
- **The Netherlands**  
MVG International B.V.
- **Poland:**  
Colliers International REMS Sp. Z o.o.
- **South Korea**  
Savills Korea Company Ltd.
- **USA**  
CBRE Inc.  
Cushman & Wakefield U.S. Inc.  
LPC West LLC  
Tishman Speyer Properties L.P.  
Steelwave LLC.

For certain accounting, tax advice and administration tasks undertaken by group companies the following service providers are involved: Alter Domus, Balmer-Etienne AG, CBRE Inc., CBRE Chile S.A., Citco Nederland B.V., Colliers Macaulay Nicolls Inc., Creative Partners, Cushman & Wakefield U.S. Inc., Ernst & Young, Fordham Business Advisors Pty Ltd, J&A Garrigues S.L.P., Gowling WLG (Canada) LLP, Morrison & Foerster, Pebblestone Asset Management Co. Ltd., Perpetual Limited und Savills Asset Advisory Co. Ltd.

Details on the execution of the orders are laid down in separate agreements.

# Statement of Assets

as at 30 June, 2023

	<b>30/6/2023</b>	<b>31/12/2022</b>
	<b>Market value</b>	<b>Market value</b>
	CHF	CHF
<b>Assets</b>		
Cash holdings, balances on postal and bank accounts at sight, including fiduciary investments with third-party banks	275 022 295	268 695 726
Time deposits with banks, including fiduciary investments with third-party banks	10 074 521	11 075 263
Sites		
– Residential buildings	1 405 531	1 451 612
– Commercial properties	3 264 581 408	3 544 432 773
– Development land (incl. properties for demolition) and properties under construction	132 966 315	129 117 751
Total sites	3 398 953 254	3 675 002 136
Investments in real estate companies	80 518 500	0
Mortgages and other mortgage-backed loans	0	116 400 000
Derivative financial instruments	7 107 985	28 678 566
Other assets	114 359 119	81 510 465
<b>Total assets</b>	<b>3 886 035 674</b>	<b>4 181 362 156</b>
<b>Liabilities</b>		
Short-term liabilities		
– Short-term interest-bearing mortgages and other mortgage-backed liabilities	68 583 246	197 969 979
– Other short-term liabilities	128 907 964	110 398 552
Total short-term liabilities	197 491 210	308 368 531
Long-term liabilities		
– Long-term interest-bearing mortgages and other mortgage-backed liabilities	878 224 698	776 655 370
– Long-term interest-bearing loans and other credits	6 425 148	6 500 376
Total long-term liabilities	884 649 846	783 155 746
Total liabilities	1 082 141 056	1 091 524 277
<b>Net assets before estimated liquidation taxes</b>	<b>2 803 894 618</b>	<b>3 089 837 879</b>
Estimated liquidation taxes	114 300 770	141 477 303
<b>Net assets</b>	<b>2 689 593 848</b>	<b>2 948 360 576</b>
– of which attributable to minority interests	8 972 719	9 002 539
<b>– of which attributable to the unitholders of the Fund</b>	<b>2 680 621 129</b>	<b>2 939 358 037</b>
Number of units in circulation	3 057 409	3 057 409
Net asset value per unit	876.76	961.39
Less distribution for reporting period	0.00	35.00
Net asset value per unit after distribution	876.76	926.39
<b>Change in net asset value</b>		
Net assets at beginning of financial year	2 939 358 037	3 273 636 575
Distribution	–107 009 315	–122 296 360
Balance from sales and purchases of units, excl. equalization on the issue of units and payouts of current income on the redemption of units	0	0
Total income	–151 727 593	–207 982 178
Balance of deposit/withdrawal of reserves for repairs	0	–4 000 000
Net assets at end of financial year	2 680 621 129	2 939 358 037

## Details from previous years

	Net assets	Net asset value per unit
30/6/2023	2 679 080 273	876.76
31/12/2022	2 939 358 037	961.39
31/12/2021	3 273 636 575	1 070.72

## Conversion rate

	as at 30/6/2023	as at 31/12/2022
CAD/CHF	0.676101	0.682833
EUR/CHF	0.976063	0.987491
GBP/CHF	1.137413	1.112923
100 KRW/CHF	0.067897	0.073168
100 JPY/CHF	0.618985	0.701124
AUD/CHF	0.595524	0.627424
USD/CHF	0.894650	0.925200
NZD/CHF	0.548107	0.585078
100 CLP/CHF	0.111532	0.108598
100 CLP/USD	0.124666	0.117378
UF/CHF	40.251319	38.129822

# Statement of Income

(ending june 30, 2023)

	1/1/2023 to 30/6/2023 CHF	1/1/2023 to 30/6/2023 CHF	1/1/2022 to 30/6/2022 CHF	1/1/2022 to 30/6/2022 CHF
<b>Income</b>				
Income from postal and bank accounts		1 419 576		87 157
Negative interest		-193		-229 869
Rental income		101 832 388		108 034 819
Income from mortgages and other mortgage-backed loans		0		0
Income from investments in real estate companies		3 475 189		0
Other income		132 398		143 952
Current income paid in by new subscribers		0		0
<b>Total income</b>		<b>106 859 358</b>		<b>108 036 059</b>
<b>Expenses</b>				
Mortgage interest and interest on mortgage-backed liabilities	10 450 177		11 868 495	
Other interest due	214 501		341 757	
Ground rent	1 314 432		1 065 134	
Repairs and maintenance	15 658 525		11 822 615	
Taxes and charges				
– Taxes on capital and profits	6 759 685		5 809 931	
Valuation and auditing expenses	1 416 691		945 423	
Writedowns on properties (tenant fit-outs)	2 587 580		2 491 063	
Remuneration (as per fund regulations) for				
– the fund management company	12 544 086		14 074 662	
– the custodian bank	293 936		327 364	
– the market maker	146 968		163 682	
– the property management companies	1 702 107		1 418 183	
Costs for annual report	22 906		20 000	
Fees payable to supervisory bodies	1 000		750	
Other expenses	2 266 759		1 939 019	
Net current income paid out on redemption of units	0		0	
<b>Total expenses</b>	<b>55 379 353</b>	<b>55 379 353</b>	<b>52 288 078</b>	<b>52 288 078</b>
<b>Net income total</b>		<b>51 480 005</b>		<b>55 747 981</b>
– of which attributable to minority interests		413 520		522 364
<b>– of which attributable to the unitholders of the Fund</b>		<b>51 066 485</b>		<b>55 225 617</b>
Realized capital gains and losses from investments		0		13 772 595
Realized capital gains and losses on currencies		55 560 162		-112 070 702
<b>Realized income</b>		<b>107 040 167</b>		<b>-42 550 126</b>
– of which attributable to minority interests		411 497		523 303
<b>– of which attributable to the unitholders of the Fund</b>		<b>106 628 670</b>		<b>-43 073 429</b>
Unrealized capital gains and losses from investments		-194 180 146		11 921 573
Unrealized capital gains and losses on currencies		-91 793 969		68 775 465
Change in liquidation taxes		27 176 533		2 428 571
<b>Total income</b>		<b>-151 757 415</b>		<b>40 575 483</b>
– of which attributable to minority interests		-29 822		649 245
<b>– of which attributable to the unitholders of the Fund</b>		<b>-151 727 593</b>		<b>39 926 238</b>

Average conversion rates	for 1/1-30/6/2023	for 1/1-30/6/2022
CAD/CHF	0.676148	0.741940
EUR/CHF	0.986257	1.024967
GBP/CHF	1.130738	1.213477
100 KRW/CHF	0.069809	0.076324
100 JPY/CHF	0.668021	0.760280
AUD/CHF	0.611101	0.674752
USD/CHF	0.911400	0.942550
NZD/CHF	0.565286	0.620272
100 CLP/CHF	0.112985	0.113565
100 CLP/USD	0.123969	0.120487
UF/CHF	40.357013	36.396506

# Notes

as at 30 June 2023

## Fact of Special Economic and Legal Importance

Credit Suisse Group AG and UBS Group AG signed a merger agreement on March 19, 2023. As a result, Credit Suisse Group AG was absorbed by UBS Group AG on June 12, 2023. This formally concluded the acquisition of Credit Suisse by UBS. The Fund obtains various services from and maintains banking relationships with consolidated subsidiaries of Credit Suisse AG. These relationships and service providers may change in future.

As announced in the media release of December 14, 2022, the fund management company is investigating the option of converting Credit Suisse Real Estate Fund International into an NAV-based product. This would mean the end of over-the-counter trading and introduce the distribution of fund units.

		30/6/2023	31/12/2022
Value of depreciation account for properties	CHF	0.0 mio.	0.0 mio.
Value of reserves account for future repairs	CHF	25.8 mio.	25.8 mio.
Balance on account of earnings retained for reinvestment	CHF	0.0 mio.	0.0 mio.
Total insurance value of assets	CHF	3 032.8 mio.	2 845.0 mio.
Number of units due to be redeemed at end of next financial year		none	407 787 <sup>1</sup>

<sup>1</sup> Units submitted for redemption as of December 31, 2022, will be repaid at the end of April 2024 at the earliest.

## Key Financial Figures

	30/6/2023	31/12/2022
Rent default rate	8.75%	8.54%
Third-party borrowings in % of aggregate market value	28.04%	26.70%
Distribution yield	n/a	4.49%
Distribution ratio	n/a	103.97%
EBIT margin	67.66%	65.53%
Total expense ratio GAV (TER <sub>REF</sub> GAV)	0.95%	0.90%
Total expense ratio Market Value (TER <sub>REF</sub> MV)	1.67%	1.44%
Return on equity (ROE) attributable to the unitholders of the Fund	-5.16% <sup>2</sup>	-6.35%
Return on invested capital (ROIC) attributable to the unitholders of the Fund	-3.41% <sup>2</sup>	-4.19%
Discount	-22.44%	-18.87%
Performance	-8.49% <sup>2</sup>	-23.09%
Return on investment	-5.39% <sup>2</sup>	-6.76%

<sup>2</sup> Calculation for six months (1/1/-30/6/2023)

## Information on derivatives

For detailed information on forward foreign exchange transactions, please see pages 15–17

## Valuation principles / basis for calculation of net asset value

The asset value of a unit represents the market value of the Fund's assets, less any liabilities of the Fund and the likely taxes and duties incurred on liquidation of the Fund's assets, divided by the number of units in circulation.

Under Art. 88 para. 2 CISA, Arts. 92 and 93 CISO and the AMAS guidelines for real estate funds of the Asset Management Association Switzerland (AMAS), the Fund's properties are regularly valued by appraisers accredited by the supervisory authority using a dynamic capitalized income value method. The property values stated are the prices that would probably be obtained upon a diligent sale at the time of appraisal. Properties under construction and construction projects are likewise valued at market value. Upon the purchase or sale of properties contained in the Fund's assets and at the close of each accounting year, the appraisers must review the market value of the real estate contained in the Fund's assets. The market value of the individual properties represents the price that would probably be achieved in customary business transactions and on the assumption of diligent conduct by the purchaser and vendor. In individual cases, and especially on the purchase or sale of Fund properties, possible opportunities arising will be used in the best interests of the Fund. This may result in deviations from the valuations given.

Further comments on the market values may be found in the valuation report of the real estate appraiser.

Investments in real estate companies are reported in the balance sheet at market values. Measurement is done using the capitalized earnings method.



Information on actual compensation rates where maximum rates are indicated in the Fund Regulations	30/6/2023		31/12/2022	
	Actual	Maximum	Actual	Maximum
<b>a) Payments to the Management Company</b>				
– Annual fee for the management of the Real Estate Fund, asset management, and the distribution of the Real Estate Fund, on the basis of total fund assets at the beginning of the accounting year	0.60%	1.50%	0.60%	1.50%
– Fee for activities in the construction of properties, as well as renovation and conversion projects, on the basis of construction costs incurred	2.00%	2.00%	2.00%	2.00%
– Compensation for work involved in the purchase and sale of properties and/or investments in real estate companies, on the basis of the purchase or sale price (unless a third party was entrusted with this task)	2.00%	3.00%	2.00%	3.00%
– Compensation for the management of properties during the reporting period, on the basis of gross rental income (incl. ground rent income)	1.67%	5.00%	1.75%	5.00%
– Issuing commission to cover costs in connection with the placement of new units, on the basis of the net asset value of the newly issued units	0.00%	1.50%	0.00%	1.50%
– Redemption commission to cover costs in connection with the redemption of new units, on the basis of the net asset value of the newly issued units	0.00%	1.75%	0.00%	1.75%
<b>b) Payments to the Custodian Bank</b>				
– Fee for the safekeeping of fund assets, handling of payment transactions for the Real Estate Fund, and performance of the other tasks listed in § 4 of the fund contract, on the basis of net fund assets at the beginning of the accounting year	0.02%	0.05%	0.02%	0.05%
<b>c) Payments to the Market Maker</b>				
– Costs and fees relating to the maintenance of regular trading on the stock exchange and over the counter of the real estate fund units, on the basis of the net asset value at the beginning of the accounting year	0.01%	0.01%	0.01%	0.01%

#### Overall amount of contractual payment obligations after the balance sheet date for purchases of plots of land as well as construction orders and investments in properties

		30/6/2023	31/12/2022
Purchases of plots of land	CHF	0.0 mio.	0.0 mio.
Construction orders and investments in properties	CHF	43.4 mio.	31.3 mio.

#### Long-term liabilities, broken down by maturity (1 to 5 years, and more than five years)

		30/6/2023	31/12/2022
1 to 5 years	CHF	878.2 mio.	776.7 mio.
> 5 years	CHF	6.4 mio.	6.5 mio.

#### Investments

		30/6/2023	31/12/2022
Investments listed on a stock exchange or on another regulated market open to the public: valued at the prices paid on the main market; in accordance with Art. 84 para. 2 lit. a CISO-FINMA	CHF	n/a	n/a
Investments for which no prices pursuant to lit. a are available: valued on the basis of parameters observable on the market; in accordance with Art. 84 para. 2 lit. b CISO-FINMA For details, see unrealized capital gains and losses on currencies, page 15	CHF	7.1 mio.	28.7 mio.
Investments valued on the basis of parameters which are not observable on the market using appropriate valuation models taking account of current market conditions; in accordance with Art. 84 para. 2 lit. c CISO-FINMA			
– For details, see Inventory of properties, from page 18	CHF	3 399.0 mio.	3 675.0 mio.
– For details, see Additional Investments, from page 10	CHF	0.0 mio.	116.4 mio.
– For details, see Investments in Real Estate Companies, on page 23	CHF	80.5 mio.	0.0 mio.
<b>Total investments</b>	CHF	<b>3 486.6 mio.</b>	<b>3 820.1 mio.</b>

#### General observation

You can obtain further information in the "Information in Brief" section.

## Additional Investments

During the 2023 financial year, Credit Suisse Real Estate Fund International made the following additional investments (pursuant to Art 86 para. 3a CISO) for the real estate funds Real Estate Fund Hospitality, Credit Suisse Real Estate Fund Interswiss, Credit Suisse Real Estate Fund Siat and Credit Suisse Real Estate Fund Green Property:

### Current transactions between collective investment schemes (as at 30/6/2023)

Type of loan	Term		Amount in CHF	Interest rate
	from	to		
None				

### Concluded transactions between collective investment schemes (1/1–30/6/2023)

Type of loan	Term		Amount in CHF	Interest rate
	from	to		
Credit	15/12/2022	11/01/2023	17 250 000	1.135%
Credit	15/12/2022	11/01/2023	60 000 000	1.100%
Credit	20/12/2022	11/01/2023	10 000 000	1.175%
Credit	20/12/2022	11/01/2023	29 150 000	1.255%
Credit	11/01/2023	25/01/2023	46 100 000	1.333%
Credit	25/01/2023	30/01/2023	28 300 000	1.220%
Credit	24/02/2023	03/03/2023	10 600 000	1.155%
Credit	24/02/2023	03/03/2023	14 000 000	1.145%
Credit	24/02/2023	15/03/2023	4 100 000	1.135%
Credit	03/03/2023	20/03/2023	28 000 000	1.130%
Credit	24/03/2023	05/04/2023	10 000 000	1.595%
Credit	24/03/2023	05/04/2023	10 000 000	1.595%
Credit	05/04/2023	14/04/2023	5 000 000	1.685%
Credit	05/04/2023	14/04/2023	7 300 000	1.685%
Credit	25/04/2023	05/05/2023	3 500 000	1.560%
Credit	25/04/2023	15/05/2023	3 500 000	1.593%
Credit	05/05/2023	15/05/2023	3 500 000	1.570%
Credit	15/05/2023	22/05/2023	3 500 000	1.630%
Credit	15/05/2023	22/05/2023	3 500 000	1.630%
Credit	22/05/2023	25/05/2023	3 500 000	1.630%
Credit	22/05/2023	25/05/2023	3 500 000	1.630%
Credit	25/05/2023	20/06/2023	5 000 000	1.650%
Credit	25/05/2023	20/06/2023	6 200 000	1.650%

The applied interest rates were average, current market rates between the prevailing rates for fixed advances and fixed-term deposits or similar investments respectively. The interest rates are always set for the entire term.

Credit Suisse Real Estate Fund International did not receive any loans from other real estate funds of Credit Suisse Funds AG during the 2023 fiscal year.

# Mortgages and Other Mortgage-Backed Liabilities

## Current Mortgages and Fixed Advances (as at 30/6/2023)

Type of loan	Term		Currency	Amount in foreign currency	Exchange rate as at 30/6/2023	Amount in CHF	Interest rate
	from	to					
Fixed-rate mortgage <sup>(1)</sup>	20/03/2019	20/03/2024	JPY	1 729 989 494	0.618985	10 708 375	1.870%
Fixed-rate mortgage <sup>(2)</sup>	20/03/2019	20/03/2024	JPY	1 955 997 370	0.618985	12 107 330	1.870%
Fixed-rate mortgage <sup>(3)</sup>	31/05/2018	31/05/2024	JPY	1 421 984 000	0.618985	8 801 868	0.864%
Fixed-rate mortgage <sup>(4)</sup>	28/06/2019	28/06/2024	KRW	19 890 000 000	0.067897	13 504 713	1.400%
Fixed-rate mortgage <sup>(5)</sup>	28/06/2019	28/06/2024	KRW	34 553 750 000	0.067897	23 460 960	3.210%
Fixed-rate mortgage <sup>(6)</sup>	30/06/2023	30/06/2024	EUR	37 000 000	0.976063	36 114 331	0.920%
Fixed-rate mortgage	11/06/2019	01/07/2024	USD	142 500 000	0.894650	127 487 625	4.720%
Fixed-rate mortgage	29/11/2019	29/11/2024	AUD	137 000 000	0.595524	81 586 788	1.213%
Fixed-rate mortgage	25/05/2022	26/05/2025	NZD	48 000 000	0.595524	26 309 136	0.551%
Fixed-rate mortgage	25/05/2022	26/05/2025	NZD	82 000 000	0.595524	44 944 774	1.160%
Fixed-rate mortgage <sup>(6)</sup>	30/06/2023	30/06/2025	EUR	47 500 000	0.976063	46 362 993	5.760%
Fixed-rate mortgage <sup>(7)</sup>	31/07/2018	21/07/2025	EUR	68 156 000	0.976063	66 524 550	5.760%
Fixed-rate mortgage <sup>(8)</sup>	18/12/2020	18/12/2025	JPY	3 529 012 500	0.618985	21 844 058	0.500%
Fixed-rate mortgage <sup>(9)</sup>	28/03/2023	23/03/2026	GBP	24 700 000	1.137413	28 094 101	5.850%
Fixed-rate mortgage <sup>(9)</sup>	28/03/2023	23/03/2026	GBP	49 300 000	1.137413	56 074 461	1.371%
Fixed-rate mortgage <sup>(10)</sup>	22/04/2021	22/04/2026	JPY	4 244 793 750	0.618985	26 274 637	5.850%
Fixed-rate mortgage	25/05/2021	26/05/2026	EUR	50 000 000	0.976063	48 803 150	4.818%
Fixed-rate mortgage	26/06/2019	26/06/2026	EUR	60 000 000	0.976063	58 563 780	2.451%
Fixed-rate mortgage	07/07/2021	30/06/2026	EUR	48 000 000	0.976063	46 851 024	5.068%
Fixed-rate mortgage <sup>(6)</sup>	30/06/2023	30/06/2026	EUR	13 300 000	0.976063	12 981 638	3.600%
Fixed-rate mortgage	04/09/2019	30/10/2026	EUR	60 000 000	0.976063	58 563 780	3.150%
Fixed-rate mortgage	04/07/2022	08/07/2027	EUR	62 625 000	0.976063	61 125 945	3.150%
Fixed-rate mortgage <sup>(11)</sup>	29/09/2022	29/09/2027	JPY	2 501 073 969	0.618985	15 481 273	1.035%
Fixed-rate mortgage <sup>(12)</sup>	31/03/2023	31/03/2028	JPY	300 000 000	0.618985	1 856 955	0.400%
Fixed-rate mortgage <sup>(12)</sup>	31/03/2023	31/03/2028	JPY	2 000 000 000	0.618985	12 379 700	0.400%
<b>Total current mortgages and fixed advances</b>						<b>946 807 944</b>	

<sup>1)</sup> The mortgage was concluded on March 20, 2019, for the property Otowa in Tokyo for JPY 1 754 000 000.

By the balance sheet date, JPY 24 010 506 had been repaid, of which JPY 2 501 304 during the current financial year.

<sup>2)</sup> The mortgage was concluded on March 20, 2019, for the property Helios in Yokohama City for JPY 2 180 000 000.

By the balance sheet date, JPY 224 002 630 had been repaid, of which JPY 18 000 260 during the current financial year.

<sup>3)</sup> The mortgage totalling JPY 1 512 000 000 was renewed on May 31, 2023.

By the balance sheet date, JPY 90 016 000 had been repaid, of which JPY 34 016 000 during the current financial year.

<sup>4)</sup> The mortgage was concluded on June 28, 2019, with the purchase of the property Sasil-ro in Icheon-si for KRW 20 400 000 000.

By the balance sheet date, KRW 510 000 000 had been repaid, of which KRW 51 000 000 during the current financial year.

<sup>5)</sup> The mortgage was concluded on June 28, 2019, with the purchase of the property Premium outlet-ro in Icheon-si for KRW 35 900 000 000.

By the balance sheet date, KRW 1 346 250 000 had been repaid, of which KRW 897 500 000 during the current financial year.

<sup>6)</sup> On June 30, 2023, the three mortgages for two properties in Berlin and one property in Munich were refinanced by three mortgages totalling EUR 97 800 000.

The mortgages for Munich (Laimer Würfel) and Berlin (Kant-Center) have a variable interest rate based on 3m EURIBOR.

The mortgage for Berlin Invalidenstrasse is a fixed-interest mortgage.

<sup>7)</sup> The mortgage was concluded on July 31, 2018, with the purchase of the property Theodor-Stem-Kai in Frankfurt for a total of EUR 154 900 000.

The Credit Suisse Real Estate Fund International owns 44% of this property.

<sup>8)</sup> The mortgage was taken out on December 18, 2020, to refinance the mortgage for the property in Nagoya for JPY 3 619 500 000.

By the balance sheet date, JPY 90 487 500 had been repaid, of which JPY 18 097 500 during the current financial year.

<sup>9)</sup> The mortgage for Monument Building was refinanced on March 28, 2023, with a new mortgage on the properties Monument Building and Central Square Cardiff for a total of GBP 74 000 000.

<sup>10)</sup> The mortgage was taken out on April 22, 2021, to refinance the mortgage for the property in Osaka for JPY 4 342 500 000.

By the balance sheet date, JPY 97 706 250 had been repaid, of which JPY 21 712 500 during the current financial year.

<sup>11)</sup> The mortgage was taken out on September 29, 2022, to refinance the mortgage for the property Honmachi in Osaka for JPY 2 529 915 000.

By the balance sheet date, JPY 28 841 031 had been repaid, of which JPY 19 227 354 during the current financial year.

<sup>12)</sup> The two mortgages were concluded on March 31, 2023, for refinancing the property J4 in Tokyo for a total of JPY 2 300 000 000.

## Expired Mortgages and Fixed Advances (1/1/ to 30/6/2023)

Type of loan	Term		Currency	Amount in foreign currency	Interest rate
	from	to			
Fixed-rate mortgage	26/03/2018	28/03/2023	GBP	64 900 000	2.930%
Fixed-rate mortgage	30/03/2018	31/03/2023	JPY	300 000 000	0.528%
Fixed-rate mortgage	30/03/2018	31/03/2023	JPY	2 403 700 000	0.550%
Fixed-rate mortgage	29/06/2018	30/06/2023	EUR	13 300 000	1.060%
Fixed-rate mortgage	29/06/2018	30/06/2023	EUR	37 000 000	1.060%
Fixed-rate mortgage	29/06/2018	30/06/2023	EUR	47 500 000	1.060%

Interest rates for fixed-rate mortgages and fixed advances are always set for the entire term.

## Interest-Bearing Loans and Other Credits

### Current Loans

Type of loan	Term		Currency	Amount in foreign currency	Exchange rate as at 30/6/2023	Amount in CHF	Interest rate
	from	to					
Credit	30/08/2019	26/06/2029	EUR	6 582 719	0.976063	6 425 148	4.530%
<b>Total</b>						<b>6 425 148</b>	

### Expired Loans

Type of loan	Term		Currency	Amount in foreign currency	Interest rate
	from	to			
None					

The interest rates are always set for the entire term.

# Land Purchases and Sales

## Statement of Land Purchases and Sales in Financial Year 2023 (as at 30/6/2023)

<b>Purchases</b>	<b>Country</b>	<b>Building class</b>	<b>Site area m<sup>2</sup></b>
None			

<b>Sales</b>	<b>Country</b>	<b>Building class</b>	<b>Site area m<sup>2</sup></b>
None			

## Transactions with Related Parties

The fund management company confirms that there has not been any transfer of real estate assets to/from related parties and that other transactions with related parties were concluded under the usual market conditions (section 18 of the guidelines for real estate funds of the Asset Management Association Switzerland (AMAS) of April 2, 2008, status as at August 5, 2021).

## Tenants Accounting for over 5% of Rental Income

<b>Tenant</b>	<b>Property location</b>	<b>Percentage of rental income</b>
Australian Tax Office (ATO)	Brisbane	5.4
Meta Platforms, Inc.	Austin	5.1

## Real Estate Companies in the Fund

**Credit Suisse Real Estate Fund International Holding AG, Zug**  
**CS REFI Chile Fund Holding AG, Zug**  
**CS REFI Australia 1 Holding AG, Zug**  
**CS REFI Australia 2 Holding AG, Zug**  
**CS REFI Australia 3 Trust Holding AG, Zug**  
**CS REFI Australia 4 Trust Holding AG, Zug**

The six holding companies in Zug and all but three of their national companies are wholly owned by Credit Suisse Real Estate Fund International.



# Overview of Units of Other Investment Funds

**In Accordance with Fund Contract § 8 Section 2 c) in Conjunction with § 15 Section 4 d)**

No purchases or sales of units in other real estate funds or real estate investment companies were effected during the first six months of the 2023 financial year.

## Units in Circulation

<b>Status as at January 1, 2023</b>	<b>3 057 409 units</b>
Redemptions	0 units
Issues	0 units
<b>Status as at June 30, 2023</b>	<b>3 057 409 units</b>

# Capital Gains and Losses on Currencies

The Fund's properties are acquired with a long-term investment horizon. However, currency fluctuations can affect the market value of the net fund assets. The Fund therefore hedges currency risks against the Swiss franc. Currency hedging is done in accordance with §12 of the fund contract and section 1.2.4 of the prospectus of Currency Management Solutions of Credit Suisse Asset Management (Switzerland) Ltd. At least 80% of the net assets in the respective foreign currency is hedged passively. The underlying currency hedge is adjusted for purchases and sales in the portfolio and changes to the mortgage financing. Every six months, the market values of the properties are adjusted by the independent appraiser, as are the changes to the other net assets in the relevant foreign currencies for currency hedging purposes. Income and expenses are not hedged. Currency swaps with an average duration of two months are used. The individual transactions and resulting gains or losses are reported in detail in the interim and annual reports. The remaining open currency positions are reported in the monthly fact sheet. The current target hedging ratio for all currencies is 95%. A technical deviation of +/-5% is permitted. During the reporting period, an average of 95% of the net assets in foreign currency were hedged.

## Realized Capital Gains and Losses on Currencies

### Realized capital gains and losses on concluded forward foreign exchange contracts (1/1/-30/6/2023)

Currency	Date trade	Date value	Number of contracts	Amount in foreign currency	Purchase price	Number of contracts	Liquidation proceeds	Currency profit/loss
CAD	05/12/2022	21/02/2023	1	CAD 672 040 000	CHF 464 942 137			
CAD	27/01/2023	21/02/2023	1	CAD -3 610 000	CHF -2 494 315			
CAD	15/02/2023	21/02/2023	Total	CAD 668 430 000	CHF 462 447 822	2	CHF 460 007 510	CHF 2 440 312
CAD	15/02/2023	20/04/2023	1	CAD 668 430 000	CHF 457 406 649			
CAD	15/03/2023	20/04/2023	1	CAD -3 320 000	CHF -2 215 436			
CAD	27/03/2023	20/04/2023	1	CAD -2 320 000	CHF -1 548 899			
CAD	17/04/2023	20/04/2023	Total	CAD 662 790 000	CHF 453 642 314	3	CHF 443 405 847	CHF 10 236 467
CAD	17/04/2023	20/06/2023	1	CAD 662 790 000	CHF 440 845 489			
CAD	14/06/2023	20/06/2023	Total	CAD 662 790 000	CHF 440 845 489	1	CHF 447 803 459	CHF -6 957 970
EUR	05/12/2022	21/02/2023	1	EUR 701 370 000	CHF 692 090 875			
EUR	17/01/2023	21/02/2023	1	EUR -2 910 000	CHF -2 889 659			
EUR	27/01/2023	21/02/2023	1	EUR -3 340 000	CHF -3 339 319			
EUR	15/02/2023	21/02/2023	Total	EUR 695 120 000	CHF 685 861 897	3	CHF 686 401 805	CHF -539 908
EUR	15/02/2023	20/04/2023	1	EUR 695 120 000	CHF 684 542 359			
EUR	27/03/2023	20/04/2023	1	EUR -49 660 000	CHF -49 019 386			
EUR	17/04/2023	20/04/2023	Total	EUR 645 460 000	CHF 635 522 973	2	CHF 633 650 018	CHF 1 872 955
EUR	17/04/2023	20/06/2023	1	EUR 645 460 000	CHF 631 482 564			
EUR	14/06/2023	20/06/2023	Total	EUR 645 460 000	CHF 631 482 564	1	CHF 628 330 137	CHF 3 152 427
JPY	05/12/2022	20/01/2023	1	JPY 25 927 700 000	CHF 179 239 179			
JPY	17/01/2023	20/01/2023	Total	JPY 25 927 700 000	CHF 179 239 179	1	CHF 186 097 506	CHF -6 858 327
JPY	17/01/2023	20/03/2023	1	JPY 25 927 700 000	CHF 186 363 695			
JPY	14/03/2023	20/03/2023	1	JPY 515 300 000	CHF 3 505 371			
JPY	15/03/2023	20/03/2023	Total	JPY 26 443 000 000	CHF 189 869 066	2	CHF 179 538 467	CHF 10 330 599
JPY	15/03/2023	22/05/2023	1	JPY 26 443 000 000	CHF 179 951 070			
JPY	22/03/2023	22/05/2023	1	JPY -651 200 000	CHF -4 542 629			
JPY	27/03/2023	22/05/2023	1	JPY 88 200 000	CHF 615 911			
JPY	16/05/2023	22/05/2023	Total	JPY 25 880 000 000	CHF 176 024 352	3	CHF 170 163 858	CHF 5 860 494
AUD	05/12/2022	20/01/2023	1	AUD 339 650 000	CHF 215 425 050			
AUD	08/12/2022	20/01/2023	1	AUD -9 500 000	CHF -5 996 087			
AUD	17/01/2023	20/01/2023	Total	AUD 330 150 000	CHF 209 428 963	2	CHF 212 208 535	CHF -2 779 572
AUD	17/01/2023	20/03/2023	1	AUD 330 150 000	CHF 211 315 809			
AUD	27/01/2023	20/03/2023	1	AUD -410 000	CHF -267 529			
AUD	15/03/2023	20/03/2023	Total	AUD 329 740 000	CHF 211 048 280	2	CHF 201 377 494	CHF 9 670 786
AUD	15/03/2023	22/05/2023	1	AUD 329 740 000	CHF 200 438 065			
AUD	27/03/2023	22/05/2023	1	AUD -24 830 000	CHF -15 060 910			
AUD	16/05/2023	22/05/2023	Total	AUD 304 910 000	CHF 185 377 155	2	CHF 182 085 544	CHF 3 291 611
USD	05/12/2022	20/01/2023	1	USD 736 800 000	CHF 686 616 552			
USD	08/12/2022	20/01/2023	1	USD -1 840 000	CHF -1 714 339			
USD	14/12/2022	20/01/2023	1	USD -2 250 000	CHF -2 068 387			
USD	17/01/2023	20/01/2023	Total	USD 732 710 000	CHF 682 833 826	3	CHF 677 241 655	CHF 5 592 171
USD	17/01/2023	20/03/2023	1	USD 732 710 000	CHF 672 897 417			
USD	17/01/2023	20/03/2023	1	USD -2 210 000	CHF -2 021 109			
USD	26/01/2023	20/03/2023	1	USD 88 880 000	CHF 81 513 181			
USD	15/03/2023	20/03/2023	Total	USD 819 380 000	CHF 752 389 489	3	CHF 749 757 281	CHF 2 632 208

Currency	Date trade	Date value	Number of contracts	Amount in foreign currency	Purchase price	Number of contracts	Liquidation proceeds	Currency profit/loss
USD	15/03/2023	22/05/2023	1	USD 819 380 000	CHF 744 622 227			
USD	15/03/2023	22/05/2023	1	USD -980 000	CHF -898 704			
USD	27/03/2023	22/05/2023	1	USD -71 130 000	CHF -64 819 915			
USD	16/05/2023	22/05/2023	Total	USD 747 270 000	CHF 678 903 608	3	CHF 668 345 584	CHF 10 558 024
CLP	05/12/2022	21/02/2023	1	CLP 4 340 190 000	CHF 4 499 938			
CLP	15/02/2023	21/02/2023	Total	CLP 4 340 190 000	CHF 4 499 938	1	CHF 5 088 148	CHF -588 210
CLP	15/02/2023	20/04/2023	1	CLP 4 340 190 000	CHF 4 997 340			
CLP	27/03/2023	20/04/2023	1	CLP -410 190 000	CHF -463 754			
CLP	17/04/2023	20/04/2023	Total	CLP 3 930 000 000	CHF 4 533 586	2	CHF 4 405 830	CHF 127 756
CLP	17/04/2023	20/06/2023	1	CLP 3 930 000 000	CHF 4 337 748			
CLP	05/06/2023	20/06/2023	1	CLP -1 372 000 000	CHF -1 562 642			
CLP	14/06/2023	20/06/2023	Total	CLP 2 558 000 000	CHF 2 775 106	2	CHF 2 870 426	CHF -95 320
GBP	05/12/2022	21/02/2023	1	GBP 377 060 000	CHF 430 438 499			
GBP	27/01/2023	21/02/2023	1	GBP -3 360 000	CHF -3 825 740			
GBP	15/02/2023	21/02/2023	Total	GBP 373 700 000	CHF 426 612 759	2	CHF 415 009 545	CHF 11 603 214
GBP	15/02/2023	20/04/2023	1	GBP 373 700 000	CHF 412 960 922			
GBP	27/03/2023	20/04/2023	1	GBP -56 460 000	CHF -63 387 586			
GBP	17/04/2023	20/04/2023	Total	GBP 317 240 000	CHF 349 573 336	2	CHF 351 762 374	CHF -2 189 038
GBP	17/04/2023	20/06/2023	1	GBP 317 240 000	CHF 349 835 141			
GBP	14/06/2023	20/06/2023	Total	GBP 317 240 000	CHF 349 835 141	1	CHF 361 277 671	CHF -11 442 530
NZD	05/12/2022	20/01/2023	1	NZD 226 850 000	CHF 135 252 053			
NZD	17/01/2023	20/01/2023	Total	NZD 226 850 000	CHF 135 252 053	1	CHF 134 284 084	CHF 967 969
NZD	17/01/2023	20/03/2023	1	NZD 226 850 000	CHF 133 498 503			
NZD	27/01/2023	20/03/2023	1	NZD -850 000	CHF -505 476			
NZD	15/03/2023	20/03/2023	Total	NZD 226 000 000	CHF 132 993 027	2	CHF 128 518 742	CHF 4 474 285
NZD	15/03/2023	22/05/2023	1	NZD 226 000 000	CHF 127 612 256			
NZD	27/03/2023	22/05/2023	1	NZD -3 440 000	CHF -1 940 917			
NZD	16/05/2023	22/05/2023	Total	NZD 222 560 000	CHF 125 671 339	2	CHF 124 296 644	CHF 1 374 695
KRW	05/12/2022	21/02/2023	1	KRW 69 451 930 000	CHF 49 848 864			
KRW	15/02/2023	21/02/2023	Total	KRW 69 451 930 000	CHF 49 848 864	1	CHF 49 893 628	CHF -44 764
KRW	15/02/2023	20/04/2023	1	KRW 69 451 930 000	CHF 49 693 711			
KRW	27/03/2023	20/04/2023	1	KRW 2 923 220 000	CHF 2 055 927			
KRW	17/04/2023	20/04/2023	Total	KRW 72 375 150 000	CHF 51 749 638	2	CHF 49 369 134	CHF 2 380 504
KRW	17/04/2023	20/06/2023	1	KRW 72 375 150 000	CHF 49 201 326			
KRW	14/06/2023	20/06/2023	Total	KRW 72 375 150 000	CHF 49 201 326	1	CHF 51 220 913	CHF -2 019 587
<b>Realized capital gains and losses on concluded forward foreign exchange contracts</b>								<b>CHF 53 051 251</b>
<b>Realized capital gains and losses on other foreign exchange transactions</b>								<b>CHF 2 508 911</b>
<b>TOTAL REALIZED CAPITAL GAINS AND LOSSES ON CURRENCIES</b>								<b>CHF 55 560 162</b>

## Unrealized capital gains and losses on currencies

### Unrealized capital gains and losses on open forward foreign exchange contracts as at 30/6/2023

Currency	Date trade	Date value	Number of contracts	Amount in foreign currency	Purchase price	Number of contracts	Equivalent underlying value	Currency profit/loss
CAD	14/06/2023	21/08/2023	1	CAD 662 790 000	445 312 031			
CAD		21/08/2023	Total	CAD 662 790 000	CHF 445 312 031	1	CHF 446 264 085	CHF -952 054
EUR	14/06/2023	21/08/2023	1	EUR 645 460 000	626 321 466			
EUR		21/08/2023	Total	EUR 645 460 000	CHF 626 321 466	1	CHF 628 419 145	CHF -2 097 679
JPY	16/05/2023	20/07/2023	1	JPY 25 880 000 000	170 562 877			
JPY	22/05/2023	20/07/2023	1	JPY -217 300 000	-1 413 124			
JPY	22/06/2023	20/07/2023	1	JPY -91 900 000	-579 261			
JPY		20/07/2023	Total	JPY 25 570 800 000	JPY 168 570 492	3	CHF 158 370 873	CHF 10 199 619
AUD	16/05/2023	20/07/2023	1	AUD 304 910 000	181 271 434			
AUD		20/07/2023	Total	AUD 304 910 000	CHF 181 271 434	1	CHF 181 385 770	CHF -114 336
USD	16/05/2023	20/07/2023	1	USD 747 270 000	663 905 306			
USD	05/06/2023	20/07/2023	1	USD 1 580 000	1 432 118			
USD	21/06/2023	20/07/2023	1	USD 28 500 000	25 440 297			
USD	28/06/2023	20/07/2023	1	USD -28 500 000	-25 524 201			
USD		20/07/2023	Total	USD 748 850 000	CHF 665 253 520	4	CHF 668 961 298	CHF -3 707 778
CLP	14/06/2023	21/08/2023	1	CLP 2 558 000 000	2 825 405			
CLP		21/08/2023	Total	CLP 2 558 000 000	CHF 2 825 405	1	CHF 2 821 477	CHF 3 928
GBP	14/06/2023	21/08/2023	1	GBP 317 240 000	359 257 486			
GBP		21/08/2023	Total	GBP 317 240 000	CHF 359 257 486	1	CHF 359 176 200	CHF 81 286
NZD	16/05/2023	20/07/2023	1	NZD 222 560 000	123 436 450			
NZD		20/07/2023	Total	NZD 222 560 000	CHF 123 436 450	1	CHF 121 796 024	CHF 1 640 426
KRW	14/06/2023	21/08/2023	1	KRW 72 375 150 000	51 064 431			
KRW		21/08/2023	Total	KRW 72 375 150 000	CHF 51 064 431	1	CHF 49 009 858	CHF 2 054 573
<b>Unrealized capital gains and losses on open forward foreign exchange contracts</b>								<b>CHF 7 107 985</b>
<b>Unrealized capital gains and losses on the conversion of the asset and income statement positions</b>								<b>CHF -98 901 954</b>
<b>TOTAL UNREALIZED CAPITAL GAINS AND LOSSES ON CURRENCIES</b>								<b>CHF -91 793 969</b>

## Further Information on Off-Balance-Sheet Business

	30/6/2023		31/12/2022	
	Equivalent underlying value in CHF	in % of NAV	Equivalent underlying value in CHF	in % of NAV
<b>Exposure-increasing derivative positions:</b>				
- Currency risk	-	-	-	-
<b>Total exposure-increasing positions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Exposure-reducing derivative positions:</b>				
- Currency risk	2 679 080 273	97.65	2 819 895 769	95.94
<b>Total exposure-reducing positions</b>	<b>2 679 080 273</b>	<b>97.65</b>	<b>2 819 895 769</b>	<b>95.94</b>





# Schedule of Properties

## Financial Data (Local Currencies)

Location, address	Country	Acquisition costs in national currency	Market value in national currency	Projected rental income <sup>1</sup> in national currency	Rental losses <sup>1</sup>		Gross income (net rental income) <sup>1</sup> in national currency
					in national currency	in %	
<b>Australian dollar (AUD)</b>							
Brisbane, "Jubilee Place", 470 St Pauls Tce	Australia	173 331 549	164 900 000	3 356 492	1 684 210	50.18	1 672 282
Brisbane, 55 Elizabeth Street	Australia	158 692 133	215 000 000	9 786 125	—	—	9 786 125
Brisbane, 99 Melbourne Street	Australia	44 738 390	40 300 000	1 997 281	15 936	0.80	1 981 345
<b>Total AUD</b>		<b>376 762 072</b>	<b>420 200 000</b>	<b>15 139 898</b>	<b>1 700 146</b>	<b>11.23</b>	<b>13 439 752</b>
<b>Canadian dollar (CAD)</b>							
Toronto, 121 Bloor Street East	Canada	68 782 992	99 200 000	3 421 510	282 718	8.26	3 138 792
Toronto, 160 Bloor Street East	Canada	89 871 652	175 000 000	5 829 829	1 611 917	27.65	4 217 912
Vancouver, "The Exchange", 475 Howe Street, 819-829 West Pender Street	Canada	251 942 716	415 200 000	7 641 141	—	—	7 641 141
<b>Total CAD</b>		<b>410 597 360</b>	<b>689 400 000</b>	<b>16 892 480</b>	<b>1 894 635</b>	<b>11.22</b>	<b>14 997 845</b>
<b>Euro (EUR)</b>							
Amsterdam, "MediArena", Mediarena 1-15	Netherlands	71 780 556	77 000 000	2 711 191	55 420	2.04	2 655 771
Arnheim, Koningstraat 26-37	Netherlands	53 866 058	26 140 000	1 429 544	210 795	14.75	1 218 749
Berlin, "Kant Center", Wilmsdorfer Str. 108-111, Kantstr. 112-114, Krumme Str. 48-49	Germany	66 521 863	41 600 000	1 594 413	—	—	1 594 413
Berlin, Invalidenstrasse 91	Germany	21 806 025	48 800 000	917 986	—	—	917 986
Dublin, "Dockline", IFSC	Ireland	93 700 551	73 300 000	1 765 877	—	—	1 765 877
Frankfurt am Main, Theodor-Stern-Kai 1	Germany	150 804 782	142 560 000	3 137 344	876 884	27.95	2 260 460
Krakow, "High 5", 23 Pawia Street	Poland	127 369 517	118 300 000	4 319 805	—	—	4 319 805
Mainz, "Römerpassage", Adolf-Kolping Strasse 2-4, Emmeransstrasse 23-27, Pfandhausstrasse 3-5	Germany	76 899 244	46 400 000	1 705 544	115 978	6.80	1 589 566
Munich, "Karlsöfe", Karlstrasse 35	Germany	84 577 414	77 400 000	1 439 031	153 478	10.67	1 285 553
Munich, "Laimer Würfel", Landsberger Strasse 300	Germany	83 360 927	142 000 000	2 997 136	406 000	13.55	2 591 136
Rotterdam, "Port City III", Waalhaven Z.z. 11	Netherlands	16 440 346	9 900 000	546 186	—	—	546 186
Rotterdam, "The Corner", Binnenwegplein 26-68	Netherlands	38 794 060	33 100 000	1 466 911	100 000	6.82	1 366 911
Stuttgart, Marienstrassen 50	Germany	12 100 000	11 800 000	542 146	—	—	542 146
Stuttgart, Reinsburgstrasse 17	Germany	1 367 000	1 440 000	46 467	—	—	46 467
Stuttgart, Silberburgstrasse 175, 175a, 177	Germany	10 263 493	9 315 000	426 800	—	—	426 800
Warsaw, "Astoria", Przeskok 2	Poland	112 287 763	94 600 000	3 398 426	—	—	3 398 426
Warsaw, "Ethos", Three Crosses Square 10/14	Poland	113 350 919	92 600 000	3 793 665	—	—	3 793 665
<b>Total EUR</b>		<b>1 135 290 518</b>	<b>1 046 255 000</b>	<b>32 238 472</b>	<b>1 918 555</b>	<b>5.95</b>	<b>30 319 917</b>
<b>Pound sterling (GBP)</b>							
Birmingham, 120 Edmund Street	United Kingdom	52 329 364	31 000 000	1 587 756	—	—	1 587 756
Bristol, "Temple Quay", 3 Rivergate	United Kingdom	23 835 843	19 490 000	304 950	—	—	304 950
Cardiff, 2 Central Square	United Kingdom	57 622 658	51 700 000	1 826 678	—	—	1 826 678
Cardiff, 5 Callaghan Square	United Kingdom	14 975 494	8 800 000	531 246	70 192	13.21	461 054
Leeds, "Princes Exchange", Princes Square	United Kingdom	42 082 483	29 100 000	1 167 309	—	—	1 167 309
Leeds, "One Leeds City Office Park", Meadow Lane	United Kingdom	17 441 565	9 600 000	510 761	477 441	93.48	33 320
Leeds, 26 Whitehall Road	United Kingdom	31 244 730	28 460 000	1 324 027	280 919	21.22	1 043 108
London, "Earl Place", 15 Appold Street	United Kingdom	51 745 568	61 700 000	2 114 726	44 235	2.09	2 070 491
London, "Monument", 11 Monument Street	United Kingdom	118 441 020	101 100 000	2 877 465	—	—	2 877 465
Manchester, 70 Great Bridgewater Street	United Kingdom	31 286 574	22 700 000	—	—	—	0
<b>Total GBP</b>		<b>441 005 299</b>	<b>363 650 000</b>	<b>12 244 918</b>	<b>872 787</b>	<b>7.13</b>	<b>11 372 131</b>
<b>Yen (JPY)</b>							
Nagoya, "Glass City Sakae", 3-11-31 Sakae, Naka-ku	Japan	7 808 426 948	7 920 000 000	185 300 901	550 210	0.30	184 750 691
Osaka, Edge Honmachi 1, 2-3-12, Minami-Honmachi 2-chome, Chuo-ku, Osaka-shi	Japan	6 260 745 575	6 150 000 000	154 451 573	3 913 968	2.53	150 537 605
Osaka, "KM Building", 20-1, 7-Chome, Fukushima, Fukushima-ku	Japan	10 305 381 207	10 700 000 000	304 913 516	14 128 215	4.63	290 785 301
Tokyo, "J4", 5-4, 5-5, 5-7, 5-14, 5-15, 5-17 and 5-18, 4-chome, Jingumae, Shibuya-ku	Japan	7 759 832 562	7 000 000 000	149 561 796	—	—	149 561 796
Tokyo, "Otowa", 1-15-2 Higashiikebukuro, Toshima-ku	Japan	2 927 021 276	3 600 000 000	67 583 828	—	—	67 583 828
Yokohama City, 896 Yamashitacho, Naka-ku	Japan	3 609 856 000	3 690 000 000	99 569 290	4 990 100	5.01	94 579 190
Yokohama City, Kanagawa, "Helios", 3-21-2 Motohamacho, Naka-ku	Japan	3 742 243 610	4 190 000 000	85 626 282	—	—	85 626 282
<b>Total JPY</b>		<b>42 413 507 178</b>	<b>43 250 000 000</b>	<b>1 047 007 186</b>	<b>23 582 493</b>	<b>2.25</b>	<b>1 023 424 693</b>
<b>South Korean won (KRW)</b>							
Icheon-si, Gyeonggi-do, "DC Moga", 410 -1 Doomi-ri, Moga-myeon	Korea, Republic	43 972 022 768	47 610 000 000	1 325 042 382	—	—	1 325 042 382
Icheon-si, Gyeonggi-do, "Icheon 2 DC", 113-60, Premium Outlet-ro, Majang-myeon	Korea, Republic	77 969 549 831	84 110 000 000	2 338 890 156	—	—	2 338 890 156
<b>Total KRW</b>		<b>121 941 572 599</b>	<b>131 720 000 000</b>	<b>3 663 932 538</b>	—	—	<b>3 663 932 538</b>
<b>New Zealand dollar (NZD)</b>							
Wellington, "HSBC Tower", 195 Lambton Quay	New Zealand	105 099 506	97 400 000	4 922 508	178 455	3.63	4 744 053
Wellington, "Justice Centre", 19 Aitken Street, Mulgrave Street & Kat Sheppard Place, Thorndon	New Zealand	171 968 032	252 900 000	7 151 153	—	—	7 151 153
<b>Total NZD</b>		<b>277 067 538</b>	<b>350 300 000</b>	<b>12 073 661</b>	<b>178 455</b>	<b>1.48</b>	<b>11 895 206</b>
<b>US dollar (USD)</b>							
Austin, "Third & Shoal", 607 W 3rd St	USA	313 324 621	306 000 000	9 045 661	—	—	9 045 661
Chicago, 1333 North Kingsbury Street	USA	28 219 626	15 400 001	1 431 497	507 610	35.46	923 887
Chicago, 250 South Wacker Drive	USA	96 105 261	34 700 000	3 613 827	627 185	17.36	2 986 642
Denver, 4555 Airport Way	USA	24 650 387	23 200 000	760 495	—	—	760 495
Glendale, 207 Goode Avenue	USA	64 480 100	56 100 000	2 673 093	729 727	27.30	1 943 366
Houston, 777 Post Oak Boulevard	USA	36 873 889	32 200 000	2 192 612	184 992	8.44	2 007 620
Houston, 919 Milam Street	USA	131 524 873	49 600 000	2 873 097	—	—	2 873 097
Portland, 1320 SW Broadway	USA	96 719 417	84 200 000	2 740 285	75 872	2.77	2 664 413
Seattle, 101 Elliott Avenue West	USA	55 199 060	44 700 000	1 787 235	1 485 660	83.13	301 575
Washington, 1099 New York Avenue	USA	110 361 751	134 800 000	4 590 587	1 108 306	24.14	3 482 281
<b>Total USD</b>		<b>957 458 985</b>	<b>780 900 001</b>	<b>31 708 389</b>	<b>4 719 352</b>	<b>14.88</b>	<b>26 989 037</b>

# Investments in Real Estate Companies

Other investments in accordance with Art. 84 para. 2 lit. c CISO-FINMA

Location, address	Country	Registration date	Acquisition costs		Market value		Net income		Share as % of total fund assets
			in USD	in CHF	in USD	in CHF	in USD	in CHF	
Hollywood FL, "The Diplomat Hotel", 3555 South Ocean Drive	USA	03/02/2023	91 800 000	82 128 870	90 000 000	80 518 500	3 813 023	3 475 189	2.07

The investment in The Diplomat Hotel is held indirectly via a co-investment with several partners in the form of preferential shares in a special-purpose entity.

# Brief Report

## to the Unaudited Semi-Annual Report as at June 30, 2023

### **Investor Base, Special Features**

Credit Suisse Real Estate Fund International is the first real estate fund under Swiss law to invest directly in foreign real estate. The Fund grants qualified investors access to an internationally diversified portfolio of high-quality commercial properties. Credit Suisse AG performs over-the-counter trading for the Fund.

### **International real estate markets in the first half of 2023**

The first half of 2023 was characterized by remarkable economic resilience, with US growth defying expectations of a slowdown in economic expansion in spite of further interest rate hikes to curb the persistently high inflation. Economic growth in the eurozone was also corrected upwards from  $-0.1\%$  in the first quarter of 2023 to  $0.0\%$ , allowing the region to avoid a winter recession. The Japanese economy also posted surprisingly positive growth. However, in spite of the unexpected strong performance in the first half of 2023, the overall picture remains fragile. At  $6.3\%$  for the second quarter of 2023, growth in China was weaker than expected, and the fundamentals for the manufacturing sector in Europe and the US are poor, which puts a brake on economic growth. The purchasing managers' index for the US, the eurozone, the UK, Japan and Australia is below 50, which indicates a contracting economy.

A positive development is the substantial decline in inflation. Total inflation in the US and the eurozone is now just  $3.0\%$  and  $5.6\%$  respectively. Inflation for Australia is  $6.1\%$  compared to  $7.9\%$  at the end of 2022. At around  $4.8\%$  in the US and  $5.5\%$  in the eurozone, core inflation is still too high, meaning that the central banks will have to uphold the pressure on interest rates for the time being. In spite of this, the interest rate outlook has improved slightly and medium- to long-term interest rates have mostly stabilized, even though it is still highly probable that some of the world's most important central banks may have interest rate hikes on their agenda. The US Fed is likely to leave key interest rates at  $5.25\%$  to  $5.5\%$ , and the European Central Bank (ECB) at  $3.75\%$  to  $4.0\%$ . Prospects for the period after reaching the forecast key interest rates are very uncertain, however. As far as the ECB's key interest rates are concerned, for example, forecasters assume a reduction in rates from March 2024, continuing to  $3.25\%$  by the end of 2024. But there are just as many forecasters predicting an ECB key interest rate of  $2.0\%$  by the end of 2024 as those who predict a key interest rate of  $4.0\%$  by the same time. Uncertainty regarding interest rate trends is also growing in Japan following the easing of the policy to manage the yield curve. This uncertain outlook for interest rates has caused bewilderment on the real estate capital markets, leading to a huge discrepancy between the sales prices expected by sellers for their properties and the prices which buyers are willing to pay.

Medium- to long-term interest rates on the other hand have stabilized in spite of the most recent developments, which has contributed to a flattening trend in the yield required by real estate investors. In some important markets (Paris CBD, Berlin, Amsterdam), the required total yield for first-class office properties in the eurozone with a holding period of 5 to 10 years is ranging from around  $5.0\%$  to  $5.5\%$ , compared to around  $3.0\%$  in 2021. The difference between the required yield and the discount rates has shrunk with the increase in the discount rates, which in many markets rose by 100 bps and in some markets by up to 200 bps. In the US, office yields have risen by more than 250 bps in some instances. The correction has been less severe in Asia to date, and office yields in Australia rose by 70 bps or, in the case of Japan, remained more or less the same.

This rise in yields has exerted enormous pressure on market values. Given the shrinking gap between the required yields and the discount rates, the increase in discount rates is likely to slow down. Looking at markets with solid rental fundamentals, in particular for industry and logistics, the research done by Credit Suisse has identified a flatter curve for discount rates in Germany, France and the UK, for example. This means that the biggest changes in capital values in these markets are behind us. However, it can still happen that valuations in other regions, in particular Continental Europe, will have to keep pace with market prices (transaction prices).

In view of the economic cycle, rental fundamentals remain strong, but there is a clear split between and within sectors. The vacancy rate for the US office sector is 18.2%, which is 140 bps more than in the previous year. In the US centres, vacancy rates have now increased on the previous quarter for 15 consecutive quarters, and have almost reached a three-decade high. The availability rate in the US industrial sector is almost 6.0%, which is well below the long-term average of ~10% (which can fluctuate strongly from city to city). Rents in this sector are therefore likely to continue to rise while rental growth can be expected to slow down, as many new properties are being completed and availability has increased moderately over the past four quarters in line with expectations.

Combined with corrections in property valuations, lower or more stable interest rates around the world are likely to whet investors' appetite for this asset class again. Sectors with solid rental fundamentals will be the first to catch the interest of investors once the uncertain interest outlook is a thing of the past. As a result, activity on the capital markets will likely recover. A detailed understanding of the different market dynamics is more important than ever before, and while capital values in various markets globally are likely to bottom out in Q4 2023, these markets will probably not recover at the same pace.

#### **Foreign Exchange Influences**

To minimize currency fluctuation risks, the currencies in the statement of assets were mostly hedged by means of foreign exchange forward transactions. The net result is a currency loss of CHF 36.23 million (currency loss of CHF 43.30 million as at June 30, 2022), which corresponds to 1.35% of the net asset value as at June 30, 2023. The exchange rate risks in the income statement are not hedged.

#### **Half-year valuation**

On behalf of the fund management company and in compliance with the Collective Investment Schemes Act (CISA), the Fund's properties were individually valued by independent appraisers accredited with the Swiss Financial Market Supervisory Authority (FINMA) as at December 31, 2022, as well as at June 30, 2023. External consultants abroad were involved in the year-end valuation.

Estimates are prepared on the basis of the International Valuation Standards. The valuations themselves are carried out using the discounted cash flow (DCF) method. The resulting total market value was CHF 3 398.95 million as at June 30, 2023 (CHF 3 675.00 million as at December 31, 2022). The average weighted discount rate is 4.73% (4.51% as at December 31, 2022). Excluding currency factors, this means on balance that the real estate portfolio depreciated by around 4.79% from the position as at December 31, 2022.

#### **Continuing portfolio development**

In February 2023, Credit Suisse Real Estate Fund International acquired an indirect participating interest in The Diplomat Hotel in Florida via a co-investment with several partners in the form of preferential shares in a special-purpose entity. The co-investment involves real estate funds managed by Credit Suisse Asset Management and real estate funds managed by Trinity Fund Advisors LLC. This investment gives the fund access to a strong cash-on-cash return and strengthens the fund's earnings.

Important letting successes were recorded in the first half of 2023, including in Brisbane (AUS), Washington D.C. (USA), Leeds (UK), Amsterdam (NL) and Munich (DE).

# Notes

## to the Unaudited Semi-Annual Report as at June 30, 2023

### Note 1: Sales restrictions USA

Units of this Real Estate Fund may not be offered, sold or delivered within the United States or any of its territories. Units of this Real Estate Fund may not be offered, sold or delivered to US citizens or persons resident or incorporated in the US and/or other natural or legal persons whose income and/or returns, regardless of origin, are subject to US income tax, as well as persons who are considered to be US persons pursuant to Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act, in each case as amended from time to time.

### Note 2: Commissions

For detailed information on commissions, please see "Appendix" starting on page 8.

### Note 3: Amendments to Fund Contract as from March 22, 2023

The Swiss Financial Market Supervisory Authority FINMA approved the amendments to the fund contract requested by the fund management company and the custodian bank on March 20, 2023. The amendments entered into force on March 22, 2023. The following was published on Swiss Fund Data on March 2, 2023:

#### Notice to Investors in the Credit Suisse Real Estate Fund International

an investment fund under Swiss law of the "Real estate funds" category for qualified investors (hereinafter the "Real Estate Fund")

#### Amendments to the fund contract

Subject to approval by the Swiss Financial Market Supervisory Authority FINMA, Credit Suisse Funds AG, Zurich, as the fund management company, with the consent of Credit Suisse (Switzerland) Ltd., Zurich, as the custodian bank, intends to amend the fund contract of the Real Estate Fund as follows:

#### 1. § 8 Investment Objective and Investment Policy

The investment objective and investment policy of the real estate fund are amended such that the asset manager has to apply the rules and definitions of AMAS Circular no. 4/2022 of May 31, 2022, "Environmental indicators for real estate funds" to the ongoing measurement of the energy consumption and greenhouse gas emissions of the portfolio properties. A maximum of 20% of the market value of the completed buildings in the real estate fund's portfolio, in particular single-tenant properties and condominium properties for which no measurements are available, individual properties for which there are no heating energy or area data available and properties that are scheduled to be sold or completely renovated in the near future may be excluded from the measurement.

The relevant sentences in § 8 of the investment objective and investment policy now read as follows (amendments highlighted):

"In order to reduce the emission intensity (kg CO<sub>2</sub>e/m<sup>2</sup>) of the real estate portfolio, the **energy consumption and greenhouse gas emissions** of the portfolio properties are measured on an ongoing basis, **whereby the asset manager has to apply the rules and definitions of AMAS Circular no. 4/2022 of May 31, 2022, "Environmental indicators for real estate funds"**. A maximum of **20% of the market value of the completed buildings in the real estate fund's portfolio**, in particular single-tenant properties and condominium properties for which no measurements are available, individual properties for which there are no heating energy or area data available and properties that are scheduled to be sold or completely renovated in the near future may be excluded from the measurement.

#### 2. Formal Amendments and Updates

Additional formal amendments and updates are made that do not affect the interests of the investors and are therefore not published.

The changes to the wording, the sales prospectus with integrated fund contract, the basic information sheet and last year's annual and semi-annual reports may be obtained free of charge from the fund management company or the custodian bank.

In accordance with Art. 41 para. 1 and para. 2bis in conjunction with Art. 35a paras. 1 and 2 of the Collective Investment Schemes Ordinance (CISO), investors are being informed that the verification and ascertainment of the legal compliance of the changes to the fund contract are being extended by the Swiss Financial Market Supervisory Authority FINMA to include the provisions pursuant to Art. 35a para. 1 a–g CISO.

# Valuation Report

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## Commission

The Collective Investment Schemes Act (CISA) requires the value of the properties held by Swiss real estate funds to be estimated by independent valuation experts at the end of each financial year. The properties of the Credit Suisse Real Estate Fund International are also valued in the semi-annual statement of the financial year.

The appraisers were tasked by the fund management company of Credit Suisse Real Estate Fund International with conducting the valuation in consultation with support staff abroad. The brief included coordination of the overall valuation process, including data preparation, provision of valuation software plus compilation and monitoring of the results supplied by the individual agents abroad.

The appraisers mandated by the fund management company and accredited by the Swiss Financial Market Supervisory Authority (FINMA) are responsible for the actual valuation of the properties. Credit Suisse Funds AG is responsible for procuring the necessary documentation.

All properties held by Credit Suisse Real Estate Fund International were valued for accounting purposes as at June 30 of the 2023 financial year.

As at the closing date, the portfolio comprised 54 properties (including new additions and properties valued for the first time). No properties have been sold or purchased since December 31, 2022. Four properties were still under construction on the reference date.

The documentation relevant to the valuations was prepared by the fund management company and management companies responsible. The valuations are based firstly on an evaluation and analysis of these documents, a cycle of site visits, as well as an assessment of the general and specific market situation for each property. The FINMA-accredited valuation experts performed the entire mandate in consultation with the fund management company – from definition of the valuation parameters and entering the data in the valuation software, through the actual appraisal work, to monitoring and submission of the results – on a neutral basis and solely in accordance with the independent valuation brief.

## Valuation Standards

The valuation experts confirm that the valuations were performed in accordance with the statutory requirements of the Collective Investment Schemes Act (CISA) and Collective Investment Schemes Ordinance (CISO), as well as with the Guidelines of the Asset Management Association Switzerland (AMAS), and accord with customary industry valuation standards.

Market value is reported on the basis of the "fair market value", i.e. the sale price that can probably be realized under normal circumstances and current market conditions.

Properties under construction are also stated at the fair market value.

In evaluating real estate, the valuation experts adhere to the internationally recognized International Valuation Standards (IVSC).

## Valuation Method

The valuations were carried out uniformly using the discounted cash flow (DCF) method. This excludes any undeveloped land, which would be valued using the comparison and residual value method. With the DCF method, the market value of a property is determined as the total of all projected future net earnings discounted to valuation-date equivalents. Income is discounted separately for each property with adjustment for market conditions and risks, i.e. with allowance for specific opportunities and risks.



The valuation includes a detailed analysis and assessment of the individual income and cost items. Operating and maintenance costs are determined on the basis of empirical values, approved budgets and benchmarks. Repair costs are based on 10-year investment plans. In the case of fixed-term rental agreements, the potential, sustainable rental income deemed achievable from a current perspective is used for the period after the contract expires. Credit risks posed by individual tenants are not explicitly factored into the valuation.

The appraisers based their assessment on recent years' individual accounts for each property, the current rental situation, as well as extensive market intelligence. This is used as the basis for the estimation and modeling of future cash flows and for definition of the discount rate. Valuations are prepared on the basis of a continuation of current use, i.e. any far-reaching changes of use, additions of new floors, or increases in density are not incorporated into the valuation.

## **Valuation Result**

As at June 30, 2023, the market value of the total portfolio is estimated by the appraisers at CHF 3 398.95 million (conversion from local currency into Swiss francs at closing rate on Juni 30, 2023).

Compared with December 31, 2022 (CHF 3 675.00 million), the value of the total portfolio has decreased by CHF 276.05 million or  $-7.51\%$  (including exchange rate movements and sales).

Planned refurbishment work for the next 10 years was reviewed. The scheduling and scale of investment for the individual properties were consequently reassessed and adjusted where necessary.

The discount rates used in the valuations are based on constant observation of real estate markets, particularly the yields paid in arm's-length transactions. The average discount rate as at June 30, 2023 was 4.73%.

## **Independence and Confidentiality**

The accredited valuation experts confirm their independence and guarantee the confidential treatment of information connected with the valuation mandate.

Zurich, June 30, 2023  
Wüest Partner AG

Pascal Marazzi-de Lima

Marius Rosenthal



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