



**PSP Swiss Property** (ownership and management of real estate in Switzerland)

Sector: Real estate

Market cap: EUR 1.64b

With a portfolio of CHF4.8bn market value, PSP Swiss Property is Switzerland's largest quoted real estate company. This and its membership in several European real estate stock indices earn PSP the attention of international investors. The company's success is based on the continuous review of growth opportunities and the ongoing portfolio optimisation in line with market trends. The company invests only in commercial properties, exclusively in Switzerland. Because the company has no residential properties, there are no restrictions regarding foreign stock-ownership. PSP has a strong balance sheet with an equity ratio of 50% and an investment scope of above CHF1bn. During the first M9 2007 PSP generated a net yield of 4.3% and achieved a positive yield spread of 1.6%. Since its market value has fallen below book value, the company is an interesting counterparty in portfolio deals and foreign investors and competitors could get an interesting foothold in the Swiss real estate market at a very attractive price. Current share price offers an upside potential of 25%. We rate the company a Buy.

Speaker:

Luciano Gabriel CEO

Giacomo Balzarini, CFO

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