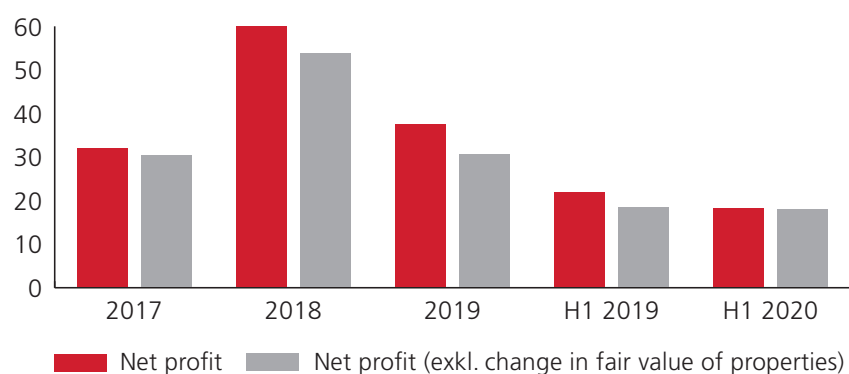


# Half-year report

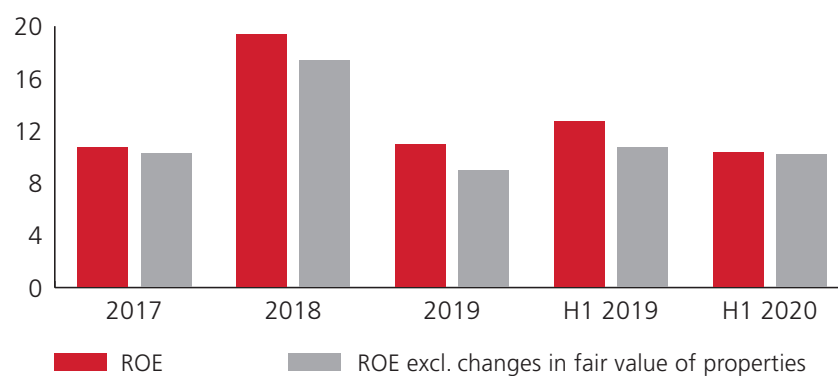
# 2020



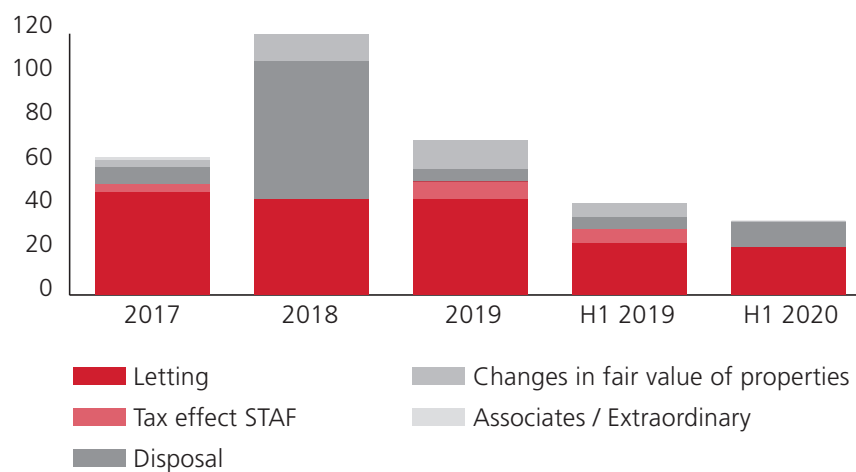
### Earnings per share (in CHF)



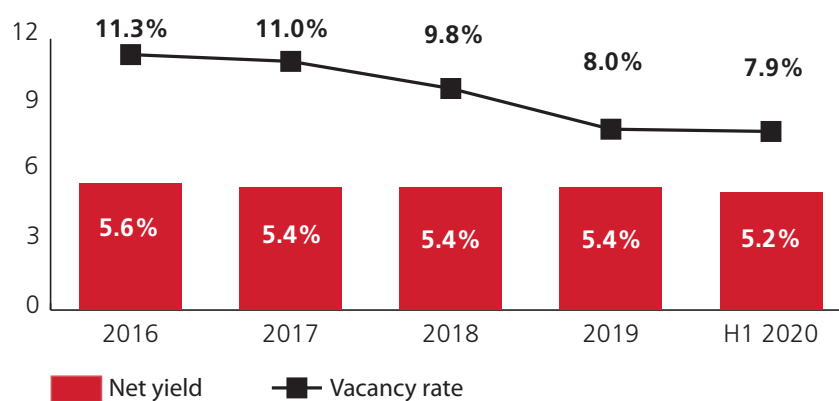
### Return on equity (in percent)



### Net profit (in CHF million)



### Net yield and vacancy rate (in percent)



## Key figures Intershop Group

### Financials

		1st HY 2020	1st HY 2019
Net rental income	m CHF	35.3	37.7
Net gains from property disposals	m CHF	14.5	6.4
Changes in fair value of properties	m CHF	0.9	8.4
Operating result (EBIT)	m CHF	46.1	48.0
Earnings before tax (EBT)	m CHF	41.7	42.9
Net profit	m CHF	33.9	41.9
Net cash from operations	m CHF	15.5	8.1
Investments in real estate	m CHF	27.8	12.6
Total assets <sup>2)</sup>	m CHF	1,361.0	1,343.0
Total value of property portfolio <sup>2)</sup>	m CHF	1,323.6	1,312.8
Financial liabilities <sup>2)</sup>	m CHF	531.0	504.0
Shareholders' equity <sup>2)</sup>	m CHF	653.1	666.1
Return on equity <sup>1)</sup>		10.3%	12.7%
Return on equity excl.changes in fair value of properties <sup>1) 6)</sup>		10.1%	10.7%

### Portfolio

Number of investment properties <sup>2)</sup>		41	42
Number of development properties <sup>2) 7)</sup>		12	12
Lettable area <sup>2)</sup>	in m <sup>2</sup>	562,939	565,880
Gross yield <sup>2) 3) 4)</sup>		6.0%	6.2%
Net yield <sup>2) 3) 5)</sup>		5.2%	5.4%
Vacancy rate <sup>2) 3)</sup>		7.9%	8.0%

### Personnel

Number of employees <sup>2)</sup>		75	72
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### Share

Earnings per share <sup>6)</sup>	CHF	18.06	21.77
Earnings per share excl.changes in fair value of properties <sup>6)</sup>	CHF	17.69	18.34
Net asset value per share (NAV) <sup>2) 8)</sup>	CHF	347.41	354.33
Share price at balance sheet date <sup>2)</sup>	CHF	567.00	567.00
Dividend per share <sup>9)</sup>	CHF	25.00	22.00

1) Based on the average shareholders' equity during the period, see «Alternative performance measures», Annual report 2019, p 118

2) Figures as at 30.6.2020 and as at 31.12.2019

3) Figures relate to the investment property portfolio as at the balance sheet date

4) Effective annual gross rental income in proportion to the market value of the properties at the balance sheet date, see «Alternative performance measures», Annual report 2019, p 118

5) Effective annual gross rental income less directly attributable property costs (excluding interest expense) in proportion to the market value of the properties at the balance sheet date, see «Alternative performance measures», Annual report 2019, p 118

6) See «Earnings per share», p 27

7) Including promotional properties

8) See «Net asset value per share», p 24

9) Dividend paid for the financial year 2019 and 2018 in the first half-year

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<b>Addresses</b>	34 Addresses

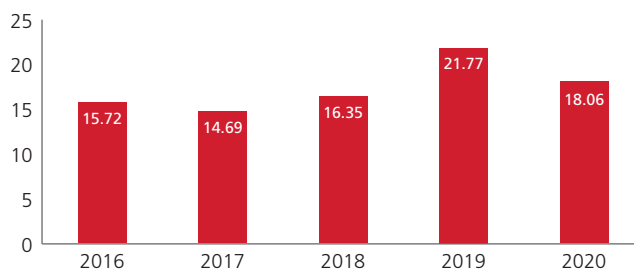


## Letter to shareholders

Dear shareholders, business partners and employees

Despite a turbulent first half, Intershop's business performance has shown welcome stability. As expected, the results and rental income reduced as a result of the earlier property disposals and the termination of the leases of two larger development properties. Net profit decreased over the exceptional previous year by 19% to CHF 34 million, which represents a profit of CHF 18.06 per share. The return on equity amounted to 10.3%. However, in addition to aforementioned causes, Covid-19 has also left its mark with a further reduction in rental income of around CHF 1 million in the form of waivers of rent and valuation adjustments on deferred payment schemes. Overall, rental income reduced by almost 6%. A profit contribution of CHF 14.5 million came from the sale of the apartment complex in Kilchberg and a plot of land in the industrial park in Oberwinterthur-Neuhegi. The revaluation of the portfolio resulted in a marginal appreciation of CHF 0.9 million, while interest expenses shrank by more than 12% due to cheaper refinancing. In contrast, tax expenses increased significantly. The previous period was influenced by a reduction in deferred taxes of more than CHF 6 million.

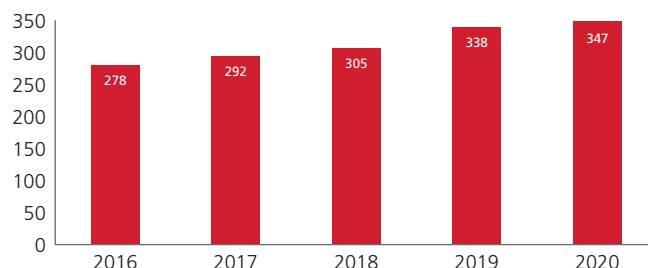
Profit per share in the first half of the year (in CHF)



Intershop started the current financial year in a confident mood, which was reflected in February in the 2019 Annual Report. Around one month later, Switzerland was in lockdown due to the pandemic and the economy was on a direct course into recession. This dramatic development has had an impact on the property sector. Many companies had to temporarily stop their business activities or to some extent were confronted with significant reductions in demand. Accordingly, the previously robust demand for rental space dropped almost completely and individual tenants were no longer able to fulfill their contractual obligations in full. In addition, the transaction market has responded sluggishly. Previously negotiated transactions largely went through, although new offers for commercial property rarely appeared on the market since the prevailing restrictions of Covid-19 made pricing more difficult. Several reasons for lower property values, such as the looming recession and changes in user behaviour, the key word here being homeoffice, have been balanced by the knowledge that the low interest rate phase will now last much longer than previously expected and that any renewed significant increases in liquidity will enhance the demand for safe investment opportunities. In this challenging environment, Intershop sold two investments, but made no purchases.

At the end of the reporting period, equity capital stood at CHF 653 million, a fall of only CHF 13 million below the level at the beginning of the year. Some 72% of the dividend, increased to CHF 25 per share, has already been generated during the first half of the year. Net asset value per share amounted to CHF 347 at the end of the reporting period.

Net asset value per share (NAV) as at 30 June (in CHF)



## Business review

As mentioned before, after a hopeful start to the new year, the situation changed spectacularly. Companies that were immediately and heavily affected by the lockdown, such as restaurants, hotels and non-food retailers luckily do not form a significant part of the Intershop tenant mix. Nevertheless, some 200 tenants with an annual rental volume of approximately CHF 20 million reached out with the aim of discussing their rent payment obligation. Intershop decided from the start to review all cases individually and, where appropriate and necessary, to offer a hand for solutions. Granting payment postponement in the form of deferred payment scheme was paramount and, in justified cases, rent was even waived. This resulted in a further reduction of rental income amounting to some CHF 1.0 million caused by rent waivers and valuation adjustments on deferred payment schemes.

In terms of transactions, Intershop sold the apartment complex in Kilchberg, a plot of land in the industrial park in Oberwinterthur-Neuhegi and certified the sale of 63 commonhold apartments, currently under construction in Basle and Baden. As of the balance sheet date, 78 of the 108 apartments were sold and 22 reserved in writing. No favourable acquisitions could be identified.

### Property management, leasing and developments as a priority

Supporting our customers or tenants proved to be extremely challenging and time-consuming in the first half of the year. A key operational focus was the leasing of spaces that are vacant or for which notice has been received. Although a fully leased property was sold in Kilchberg, the vacancy rate of the investment properties reduced slightly from 8.0% to 7.9%. The net yield of the investment property portfolio came to an appealing 5.2% in the first half of the year despite corona-related pressure.

In addition, work on the ongoing development projects continued intensively. All planning and construction projects moved forward, with pandemic-related restrictions leading to delays both in the approval process and on the construction sites. In the meantime, however, all projects and construction works are largely operating normally again. The private design plan for the «AuPark» in Wädenswil, near Zurich was reviewed and approved in the first half of the year by the Canton of Zurich's building department and became legally valid in July. The completion of the construction at Rue de Lausanne 42+44 in Geneva has been delayed by about three months and is now expected in the fourth quarter of 2020. The access road to develop the plot of land in Oberwinterthur-Neuhegi was completed and on 29 June 2020, the sale of a part of this plot of approx. 16,000 m<sup>2</sup> was recorded in the land register. The buyer plans to construct and operate a data centre. The building permit for an assembly plant for «Stadler» arrived in August. Both parties have a right to withdraw from the lease agreement and are currently examining the consequences of the imposed conditions.

**Organisation**

At the 57<sup>th</sup> annual general meeting, which took place without the participation of shareholders due to the corona pandemic, all agenda items were agreed. Amongst others, the present Board of Directors was confirmed for another period of office.

**Outlook**

The longer-term consequences of the pandemic and its associated restrictions are currently difficult to assess. Even if the leasing market has recovered since the balance sheet date, demand is significantly below the level pre-pandemic. In the current situation, many prospective tenants are afraid to commit to long-term obligations. Despite the positive trend for vacancy levels in the first half of the year, Intershop still expects an increase in the vacancy rate on a scale of a good 10% by the end of the year due to the departure of the largest tenant at the World Trade Center in Lausanne. On a like-for-like basis, rental income should be in the range of the first half of the year, provided we do not have another complete lockdown. On the transaction side, Intershop continues to monitor the market very closely. Any buying opportunities are exploited if sustainable added value can be achieved as a result. As before, the aim is to sell all the commonhold apartments under development in Basle and Baden before construction is complete. Due to construction delays, the apartments in Basle are now expected to be transferred towards the end of the first quarter of 2021. If other attractive disposal opportunities arise, they will continue to be seized. No statements can be made regarding the further development of the market value of property in general. Ignoring any changes to market values and provided that the consequences of the pandemic do not negatively influence the second half of the year, Intershop will again be able to achieve good year-end figures which should enable it to maintain its attractive dividend policy.



Dieter Marmet  
Chairman of the Board of directors



Cyrill Schneuwly  
Chief Executive Officer

Zurich, 20 August 2020



## Real estate portfolio

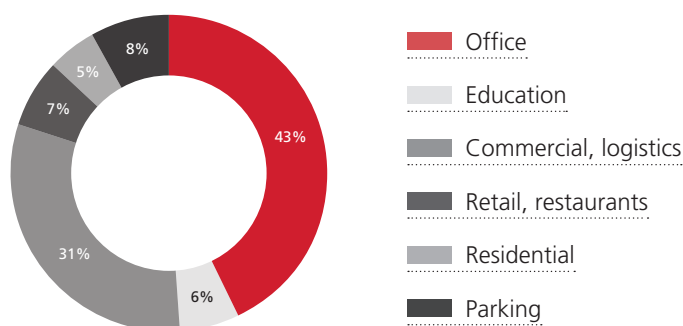
After a confident start to the new year, the situation suddenly changed with the global spread of Covid-19. In contrast to the leasing market, the transaction market reacted rather hesitantly. Previously agreed transactions still went through, as did the sale of the residential complex in Kilchberg and the disposal of a plot of land on the industrial park in Oberwinterthur-Neuhegi. However, the number of transactions negotiated and concluded in the market during the pandemic was significantly below the previous year. Due to this weak data, it is difficult to make any firm statement on further development, although it does seem that the trend of the last few years will continue due to the extension of the period of lower interest rates. Core real estate and well-let properties with tenants with good credit ratings remain sought-after. This also applies to residential properties in central locations. The interest in properties that do not have these attributes is expected to decline and the prices are likely to come under slight pressure. It is likely to become difficult for retail properties, such as shopping centres, and hotels. Intershop monitored the transaction market very attentively throughout the entire first half of the year but could not identify any attractive buying opportunities.

Tenants, whose businesses were forced to shut down, were affected immediately and directly by the lockdown. These were in particular restaurants, hotels and non-food retailers. Intershop's exposure to these sectors has been very limited for many years. However, other sectors also suffered from the consequences of the pandemic. Schools were not able to be kept open, fitness centres were closed and indirectly affected suppliers and service providers, such as event agencies, medical services etc., expressed difficulty in being able to meet their rental obligations. Intershop decided to review all cases individually and, where appropriate and necessary, to offer a hand for solutions. Granting deferred payment schemes was paramount, but also waivers of rent were given if deferred payments did not offer a sustainable solution. These generally constructive negotiations were made noticeably more difficult by political developments at federal level, which even ended in a legislative proposal with the obligation to a partial waiver of rent. Contrary to the recommendation of the Swiss Federal Council, the Swiss parliament plans to violate the rights of ownership and intends to reallocate the funds and assets of third parties as it sees fit. The fact that in the Council of States, even supposedly liberal representatives, supported these requests, does not bode well for the future. Economically however, this decision will only have a marginal effect on Intershop since comparable solutions have already been agreed with the majority of the affected tenants or are under negotiation. The total amount of rent waived was CHF 0.7 million in the first half of the year and a further provision was made for CHF 0.3 million for rents under deferred payment schemes.

The demand for office space came abruptly to a halt in March, but the situation eased noticeably again from the end of the half year. Homeoffice has quickly become widespread and proven its worth, which has greatly promoted its acceptance. There is no doubt that working from home has now become an integral part of our working environment and, as a result of this, the need for office space is more likely to decrease. However, it also seems to confirm that the previously-aspired-to minimisation of the space required per employee has probably peaked and, in future, more space must be made available again to employees working in the office. How these two conflicting trends will impact on the office market in the medium term cannot currently be forecast reliably. The situation in the retail sector, which came under increasing pressure from strong growth in online shopping, appears somewhat clearer. The demand for space outside

highly frequented locations will continue to decrease and will have corresponding effects on rents in such areas, in particular on older, medium-sized shopping centres in outlying locations. In many manufacturing businesses, sharp, short term decreases in production occurred as supply chains were interrupted or demand collapsed, although many companies still had solid order books on hand from the beginning of the year. As such, any recession will be visible only in the form of a time lag. In the mid-term, however, the now evident susceptibility of supply chains will result in many businesses considering relocating certain production steps to countries with the lowest costs and to bring back production capacities in order to protect supply. This would greatly support the demand for properties suited to this purpose. The residential sector proved to be an anchor of stability. However, since the reference interest rate in the first half of the year fell to 1.25%, this income will tend to decrease marginally over the course of the year. In addition to adapting to pandemic-related consequences, the focus of the past half-year has once again been the leasing of empty space as well as ongoing and planned developments.

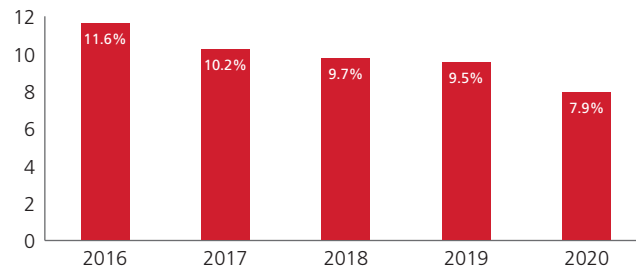
Portfolio according to types of use (based on rental income in the reporting period)



#### A sales-related decline in rental income and decreasing vacancy rate

As a result of sales, the ongoing repositioning of the development properties in Baden and Pfäffikon (SZ) as well as any pandemic-related reduced income, rental income fell by 5.8% to CHF 39.5 million. In a difficult environment compared to mid-2019, vacancy rates for investment properties fell by 1.6 and, compared to the end of 2019, by 0.1 percentage points. On a like-for-like basis, rental income on the investment property portfolio went down by 0.5% and vacancy rates decreased by 0.2 percentage points. «Puls 5» in Zurich, which is almost fully leased, showed a positive performance. The properties in Dielsdorf and Reinach were also able to record successful lettings. The short-term increase in vacancies in real estate properties at Rue de Lausanne in Geneva, Redingstrasse in Basle, and Hofweg in Berne, can be attributed to the ongoing renovation work. In order to prevent complications, Intershop will refrain from temporarily reletting new space in certain cases just before and during renovation work. Reletting will continue in a timely manner once construction work has been completed.

Development of the vacancy rate for the investment property portfolio as at 30 June



### Developments in portfolio despite pandemic very favourable

The pandemic also had an impact on the development activities. Approval procedures took longer and, in most cases, there were delays in execution, i.e. on construction sites. The greatest impact on Intershop was in Geneva, where work was temporarily shut down, followed by a gradual restart. The renovation and addition of another storey at Rue de Lausanne will therefore be completed in late autumn 2020 with a delay of approximately three months. In Basle, Baden and Pfäfers, the work progressed slower than planned since restrictions relating to Covid-19 had to be implemented into construction processes. Nevertheless, all projects progressed positively overall.

The private design plan, «AuPark» in Wädenswil, was approved by the Canton of Zurich's building department during the reporting period. After the time limit for appeals lapsed at the beginning of July, the design plan became legally valid. Following broad support from the local council in July 2019, Intershop started preparatory work for the building application last year and intends to submit the application during the course of the second half of the year. In spring this year, the owners of both neighbouring properties began with the reconstruction plan of «Albanteich-Promenade» in Basle, which proposes an expansion to the existing high-rise residential buildings, and construction work is now underway. Intershop anticipates that the construction work on its' two extensions will be carried out in the current half of the year and that renovation work on the existing buildings will be undertaken at the beginning of 2021. Construction work on the commonhold apartments project at «Gellertstrasse» is back on track. The sale of apartments was also satisfactory. As of the balance sheet date, 22 of the 30 apartments were sold and a further three reserved in writing. Due to construction delays, the apartments in Basle can probably only be formally signed over towards the end of the first quarter of 2021.

The demolition work of the promotional project «Römerstrasse» in Baden was started at the end of 2019. Subsequently, the preparatory work started underground, which was still ongoing as of the balance sheet date. The sale of the 78 commonhold apartments started fantastically well in April 2020. Within less than three months, 56 apartments were sold and 19 reserved in writing. The architectural quality, the location but also the marketing concept was obviously convincing. The previously vacant plot of land on the industrial park in Oberwinterthur-Neuhegi was further developed during the reporting period with the completion of the newly constructed «Fabrikstrasse». The prospective buyer for a land parcel of 16,325 m<sup>2</sup> concluded the transaction at the end of June and has a purchase right for a further good 11,000 m<sup>2</sup>. On the remaining plot, there are plans to construct an assembly plant for «Stadler». The imposed conditions in the building permit received at the beginning of August are now being reviewed by the tenant and Intershop, as both parties have the right to withdraw from the lease.

## Financials

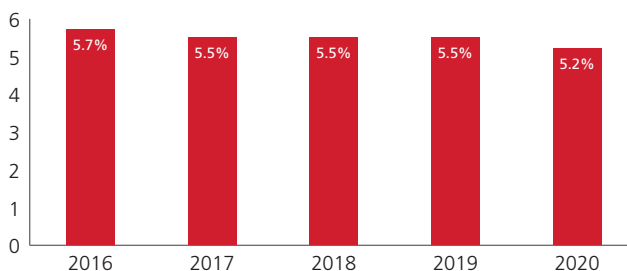
### Successful half of the year with return on equity of 10.3%

The rental income at Intershop fell by 5.8% to CHF 39.5 million in the first half of 2020 compared with the previous year. The decline is primarily attributable to the termination of leases of the two development properties in Pfäffikon and Baden as well as the disposals made in 2019 and 2020. In addition, the pandemic-related negative earnings effect of CHF 1.0 million were greater than the positive effects of the letting successes achieved. The gross yield of the investment property portfolio was 6.0%, 0.2% lower due the effects of Covid-19.

The sale of apartment complex at Schlossmattstrasse, Kilchberg and part of the land on the industrial park, Oberwinterthur-Neuhegi, resulted in a gain of CHF 14.5 million.

Property expense held stable and amounted to a low 10.6% of rental income. The net yield for the investment properties resulting from the effective rental income received less property-related costs was 5.2% in the first half of the year, which despite the effects of the pandemic, is an excellent result.

Net yield on investment property portfolio as at 30 June in %



While administrative expenditure was reduced by 10.3% compared to the previous year, personnel expenses increased by 1.5%, while the headcount increased by three employees to 75 compared to the year end and the number of full-time equivalents rose by one to 66.

Based on the estimate of the property portfolio's market value as of 30 June 2020 by KPMG Real Estate, the market value showed an increase of CHF 0.9 million, which corresponds to 0.1% of the portfolio value after deduction of the investments made in the reporting period. The significant value drivers were changes in the rental situation, actual and newly planned investments and lower discount rates as well as a change in inflation assumptions. Since the effects of planning and development projects can only be included in the valuation once valid planning permission has been obtained, the valuation result in the first half of 2020 was negatively impacted by accrued project costs of CHF 0.8 million. The range of the nominal discount rates has contracted slightly at 3.5%–6.5% compared to 3.2%–6.7% at the end of 2019.

Despite an increase in debt levels of CHF 23 million compared to the end of the first half of last year, interest costs fell by CHF 0.6 million or 12.0% to CHF 4.5 million due to lower interest rates. As in the previous first half of the year, financial income of less than CHF 0.1 million was generated.

The tax expense increased significantly by CHF 6.7 million to CHF 7.7 million compared to the previous year. This was due to the one-off effects that were recorded in the previous year as a result of tax rate reductions decided in accordance with TRAF (Swiss tax reform and AHV financing) which resulted in a reduction of deferred tax liabilities of some CHF 6.8 million.

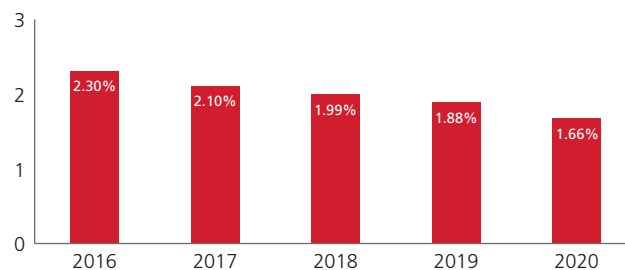
Profit after tax was 19.0% below the previous year's value and amounted to CHF 33.9 million, which corresponds to a return on equity of 10.3%.

### **Strong balance sheet with equity ratio of 48%**

Due to the investments made in the investment property portfolio and the promotional projects in the first half of 2020, the value of the property portfolio rose slightly compared to the year end, regardless of disposals. Interest-bearing financial liabilities amounting to CHF 531.0 million are CHF 27.0 million higher compared to 31 December 2019, and the average interest rate reduced from 1.79% by the end of the year to 1.66%.

Despite the dividend distribution of CHF 47.0 million, equity reduced by only CHF 13.0 million. This resulted in a very solid equity ratio of 48.0%.

Average interest rate of financial liabilities as at 30 June



### **Above-average performance of Intershop shares**

The total return on Intershop shares in the first half of 2020, i.e. the change in the stock price, plus dividends paid, was 4.4% in a difficult stock market environment and was significantly above the benchmark index, SXI Swiss Real Estate Shares TR, at -13.3%.

### **Stable shareholder base**

At the end of June 2020, Intershop had 1,109 registered shareholders. No reportable thresholds were exceeded or fell short in the reporting period. Since the end of the year, the unregistered shares have increased from 14.0% to 16.0%. As in the past, approximately 98% of the shares registered with voting rights are held by shareholders resident in Switzerland.



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**Consolidated balance sheet**

(in CHF 1,000)

**Assets**

	Notes	30.06.2020	31.12.2019
<b>Current assets</b>			
Cash		24,718	17,155
Trade receivables		420	1,563
Other receivables		9,431	9,309
Investment properties for disposal	2	0	14,209
Promotional properties	1	41,513	32,249
Accrued income and prepaid expenses		1,606	752
<b>Total current assets</b>		<b>77,688</b>	<b>75,237</b>
<b>Non-current assets</b>			
Investment properties	2	1,150,788	1,137,356
Development properties	3	131,277	128,954
Other equipment		319	348
Intangible assets		8	12
Deferred tax assets		155	147
Assets from pension benefits		771	938
<b>Total non-current assets</b>		<b>1,283,318</b>	<b>1,267,755</b>
<b>Total assets</b>		<b>1,361,006</b>	<b>1,342,992</b>
<b>Current liabilities</b>			
Short term financial liabilities	4	134,850	80,850
Trade payables		15,337	11,146
Tax liabilities		9,247	6,527
Derivative financial instruments	5	310	0
Short term provisions		3,098	3,098
Accrued expenses and deferred income		22,262	23,019
<b>Total current liabilities</b>		<b>185,104</b>	<b>124,640</b>
<b>Non-current liabilities</b>			
Long term financial liabilities	4	396,115	423,136
Derivative financial instruments	5	11,597	12,273
Deferred tax liabilities		110,706	111,723
Long term provisions		4,354	5,074
<b>Total non-current liabilities</b>		<b>522,772</b>	<b>552,206</b>
<b>Total liabilities</b>		<b>707,876</b>	<b>676,846</b>
<b>Shareholders' equity</b>			
Share capital	6	19,000	19,000
Capital reserves		5,782	6,071
Retained earnings		628,348	641,075
<b>Total shareholders' equity</b>		<b>653,130</b>	<b>666,146</b>
<b>Total shareholders' equity and liabilities</b>		<b>1,361,006</b>	<b>1,342,992</b>

**Shareholders' equity  
and liabilities**

The disclosures in the notes form an integral part of the consolidated financial statements.



## Consolidated income statement

(in CHF 1,000)

	Notes	1st HY 2020	1st HY 2019
Rental income	8	39,500	41,944
Net gains from property disposal	9	14,515	6,433
Other income		2,114	2,223
<b>Total operating income</b>		<b>56,129</b>	50,600
Property expense	10	4,169	4,204
Personnel expense		5,442	5,361
Administrative expense		1,265	1,410
<b>Total operating expense</b>		<b>10,876</b>	10,975
Changes in fair value of properties	11	883	8,401
<b>Operating result (EBIT)</b>		<b>46,136</b>	48,026
Financial income	12	54	45
Financial expense	12	-4,528	-5,147
<b>Profit before taxes</b>		<b>41,662</b>	42,924
Tax expense	13	-7,718	-1,022
<b>Net profit</b>		<b>33,944</b>	41,902
There are no minority interests.			
Earnings per share (CHF)	14	<b>18.06</b>	21.77
Earnings per share (diluted) (CHF)	14	<b>18.06</b>	21.77

The disclosures in the notes form an integral part of the consolidated financial statements.

## Consolidated statement of changes in equity

(in CHF 1,000)

				Retained earnings		
	Note	Share capital	Capital reserves	Treasury shares	Other retained earnings	Hedging reserve
<b>Balance as at 1.1.2019</b>		<b>20,000</b>	<b>6,035</b>	<b>-7,578</b>	<b>681,454</b>	<b>-9,843</b>
Purchase of treasury shares	6			-54,875		
Share-based payments (participation plan)	6		36	974		
Capital reduction		-1,000		51,500	-50,500	
Dividend payment					-41,316	
Change of derivative financial instruments	5					-1,819
Net profit first half-year 2019					41,902	
<b>Balance as at 30.6.2019</b>		<b>19,000</b>	<b>6,071</b>	<b>-9,979</b>	<b>631,540</b>	<b>-11,662</b>
Change of derivative financial instruments						2,070
Net profit second half-year 2019					29,106	
<b>Balance as at 31.12.2019</b>		<b>19,000</b>	<b>6,071</b>	<b>-9,979</b>	<b>660,646</b>	<b>-9,592</b>
Purchase of treasury shares	6			-1,298		
Share-based payments (participation plan)	6		-289	1,298		
Dividend payment					-46,960	
Change of derivative financial instruments	5					289
Net profit first half-year 2020					33,944	
<b>Balance as at 30.6.2020</b>		<b>19,000</b>	<b>5,782</b>	<b>-9,979</b>	<b>647,630</b>	<b>-9,303</b>

The disclosures in the notes form an integral part of the consolidated financial statements.

## Consolidated cash flow statement

(in CHF 1,000)

	Notes	1st HY 2020	1st HY 2019
Net profit		33,944	41,902
Taxes	13	7,718	1,022
Changes in fair value of properties	11	-883	-8,401
Depreciation		68	60
Interest income	12	-54	-9
Other financial income	12	0	-36
Interest received		53	22
Interest expense	12	4,528	5,147
Interest paid		-5,065	-7,371
Taxes paid		-6,437	-16,422
Changes in provisions		-720	-360
Net gains from property disposal	9	-14,515	-6,433
Receipts from sale of promotional properties		6,659	0
Payments for investments in promotional properties		-8,931	-406
Changes in net working capital		-816	-652
<b>Net cash from operating activities</b>		<b>15,549</b>	<b>8,063</b>
Payments for investments in investment properties		-12,816	-8,799
Receipts from disposals of investment properties		19,963	50,504
Payments for investments in development properties		-6,086	-3,394
Payments for purchases of securities and fixed deposits		12,244	0
Receipts from disposals of securities and fixed deposits		0	8,309
Payments for purchases of other equipment and intangible assets		-34	-9
<b>Net cash from investing activities</b>		<b>13,271</b>	<b>46,611</b>
Proceeds from financial liabilities	4	47,250	53,940
Repayment of financial liabilities	4	-20,249	-135,000
Dividend payment		-46,960	-41,316
Purchase of treasury shares	6	-1,298	-54,875
<b>Net cash used for financing activities</b>		<b>-21,257</b>	<b>-177,251</b>
<b>Change in cash</b>		<b>7,563</b>	<b>-122,577</b>
Cash as at 1 January		17,155	133,784
<b>Cash as at 30 June</b>		<b>24,718</b>	<b>11,207</b>

The disclosures in the notes form an integral part of the consolidated financial statements.

## Notes to the consolidated half-year financial statements as at 30 June 2020

### Business activity

The Intershop Group is a real estate company that focuses on the purchase, development and sale of real estate primarily in Switzerland.

Intershop Holding AG, headquartered in Zurich, Switzerland, is listed on the SIX Swiss Exchange and controls all companies in the Intershop Group.

### Investment policy

The investment policy was complied with at all times during the entire half-year under review.

## Accounting principles and basis of consolidation

### Basis of consolidation

The unaudited consolidated financial statements for the half-year 2020 of the Intershop Group have been prepared in accordance with all existing guidelines of Swiss GAAP FER (accounting and reporting regulations, including FER 31) and the regulations for real estate companies set out by SIX Swiss Exchange and provide a true and fair view of the financial position of the Intershop Group and of its earnings and cash flows. The balance sheet, income statement, statement of changes in equity and cash flow statement are presented in full, while the notes are presented in condensed form in accordance with Swiss GAAP FER 31/11.

### Accounting principles

The accounting and valuation principles and calculation methods mentioned in the Annual Report 2019 were applied unchanged.

### Scope of consolidation

In the period under review, Einkaufszentrum Herti AG, Zug, Switzerland, and EZ Volketswil AG, Volketswil, Switzerland, were merged with SGI City Immobilien AG, Zurich, Switzerland. There were no other changes in the scope of consolidation compared with the financial statements as at 31 December 2019.

## Estimates and assumptions

The preparation of the half-year financial statements in accordance with Swiss GAAP FER requires the use of estimates and assumptions that affect the accounting policies to be applied and the amounts reported under assets, liabilities, income and expenses as well as their presentation. The estimates and assumptions are based on past experience or expectations that are believed to be reasonable under the circumstances. The estimates and assumptions are continually reviewed. The actual values may nevertheless differ from these estimates. The most important positions, which are based on assumptions and estimates, are the fair market value of investment and development properties, provisions and deferred tax liabilities.

## Notes

### 1 Promotional properties

(in CHF 1,000)	30.6.2020	31.12.2019
Balance as at 1.1.	32,249	8,823
Investments	9,264	5,239
Disposals	0	0
Transfer from development properties	0	18,187
Balance as at balance sheet date	<b>41,513</b>	32,249

No promotional properties were sold in the reporting period and no income from sales was generated (previous year: 0). Down payments of CHF 10.8 million (31.12.2019: CHF 4.1 million) were received from buyers under the already notarised purchase agreements. The fire insurance value or construction period insurance of the promotional property portfolio amounts to CHF 75 million (31.12.2019: CHF 74 million).

Details of the promotional properties are shown on pages 32 to 33.

### Current status of promotional projects

#### Basle, «Gellertstrasse»

Project description:	In the project at Gellertstrasse 151, 157, 163 in Basle, which is part of the «Albanteich-Promenade» development, 30 commonhold apartments are being built.
Project status:	Following the demolition of the existing buildings and preparatory work, construction of the three apartment buildings began in June 2019. Completion is scheduled for the first quarter 2021.
Sales status:	The sale also started in June 2019, and at the date of this report 25 apartments have been notarised for sale and one further apartment was reserved.

#### Baden, «Römerstrasse»

Project description:	At the property at Römerstrasse 36-36c in Baden, 78 commonhold apartments are being realised.
Project status:	The partial demolition of the existing properties and the construction of the new building started at the beginning of 2020, with completion scheduled for the first half of 2022.
Sales status:	The sale started in April 2020, and at the date of this report 73 apartments had been notarised for sale and three further apartments were reserved.

### Other projects

The revised design plan for the «Am Wildbach» project in Solothurn is currently in the approval process. The site is to be developed or sold in stages.

## 2 Investment properties

(in CHF 1,000)	Office properties	Commercial properties	Residential properties	Total properties
<b>Balance as at 1.1.2019<sup>1)</sup></b>	771,696	311,922	70,872	1,154,490
Purchases	650	0	0	650
Investments	18,935	1,362	1,279	21,576
Disposals	-44,400	0	0	-44,400
Change in fair market value 2019	14,991	1,996	2,262	19,249
<b>Balance as at 31.12.2019<sup>1)</sup></b>	761,872	315,280	74,413	1,151,565
Investments	6,899	1,039	4,309	12,247
Disposals	0	0	-14,230	-14,230
Change in fair market value 2020	7,065	-2,280	-3,579	1,206
<b>Balance as at 30.6.2020</b>	775,836	314,039	60,913	<b>1,150,788</b>

1) includes investment properties held for disposal of TCHF 14,209 (31.12.2019, residential properties) and TCHF 42,486 (1.1.2019, office properties)

In the period under review, Intershop sold the property at Schlossmattstrasse 9, Kilchberg. The fire insurance value of the investment property portfolio amounts to CHF 1,368 million as at the reporting date (31.12.2019: CHF 1,376 million).

**Acquisition costs and market value by region:**

(in CHF 1,000)	Acquisition costs <sup>1)</sup>		Market value	
	30.6.2020	31.12.2019	30.6.2020	31.12.2019
<b>Investment properties</b>				
<b>Office properties</b>				
Zurich area	394,524	392,572	522,407	513,746
Lake Geneva area	156,969	152,168	163,184	157,499
Basle/Berne/Midlands	85,743	85,597	86,777	87,198
Other areas	3,674	3,674	3,468	3,429
<b>Total office properties</b>	<b>640,910</b>	634,011	<b>775,836</b>	761,872
<b>Commercial properties</b>				
Zurich area	91,519	90,969	96,652	96,406
Lake Geneva area	126,394	126,354	150,238	152,086
Basle/Berne/Midlands	23,904	23,594	32,356	32,460
Other areas	28,597	28,457	34,793	34,328
<b>Total commercial properties</b>	<b>270,414</b>	269,374	<b>314,039</b>	315,280
<b>Residential properties</b>				
Zurich area	0	11,367	0	14,209
Basle/Berne/Midlands	57,892	53,605	60,913	60,204
<b>Total residential properties</b>	<b>57,892</b>	64,972	<b>60,913</b>	74,413
<b>Total investment properties</b>	<b>969,216</b>	968,357	<b>1,150,788</b>	1,151,565

1) The acquisition costs include all costs associated with the purchase as well as value-enhancing investments.

Details of the investment property portfolio are shown on pages 28 to 31.

### 3 Development properties

(in CHF 1,000)	30.6.2020	31.12.2019
Balance as at 1.1.	128,954	139,380
Purchases	0	1,973
Investments	6,107	8,405
Disposals	-3,461	0
Change in fair market value	-323	-2,617
Transfer to promotional properties	0	-18,187
Balance as at balance sheet date	<b>131,277</b>	128,954

In the period under review, a share of land amounting to 16,325 m<sup>2</sup> on the industrial park Oberwinterthur-Neuhegi in Winterthur was sold.

#### Acquisition costs and market value by region:

(in CHF 1,000)	Acquisition costs <sup>1)</sup>		Market value	
	30.6.2020	31.12.2019	30.6.2020	31.12.2019
<b>Development properties</b>				
Zurich area	123,369	120,901	123,939	121,435
Basle/Berne/Midlands	8,016	7,838	7,338	7,519
<b>Total development properties</b>	<b>131,385</b>	128,739	<b>131,277</b>	128,954

1) The acquisition costs include all costs associated with the purchase as well as value-enhancing investments.

The fire insurance value of the development property portfolio amounts to CHF 425 million as at the reporting date (31.12.2019: CHF 430 million).

Details of the development property portfolio are shown on pages 32 to 33.

### 4 Financial liabilities

(in CHF 1,000)	30.6.2020	31.12.2019
Mortgages and loans	134,850	80,850
<b>Total current financial liabilities</b>	<b>134,850</b>	80,850
Mortgages and loans	296,000	323,000
Bond	100,115	100,136
<b>Total long-term financial liabilities</b>	<b>396,115</b>	423,136
<b>Total financial liabilities</b>	<b>530,965</b>	503,986

In the period under review, financial liabilities totalling CHF 20.2 million were repaid and financial liabilities in the amount of CHF 47.2 million were drawn.

**Maturities of interest-bearing current and non-current financial liabilities and fixed interest terms as of 30 June 2020:**

(in CHF 1,000)	Maturities	Fixed interest term
< 1 year	134,850	25,000
1 to 2 years	101,000	101,000
2 to 3 years	100,115	100,115
3 to 4 years	0	0
4 to 5 years	0	0
> 5 years	195,000	195,000
<b>Total</b>	<b>530,965</b>	<b>421,115</b>

The total book value of the pledged assets amounts to CHF 959 million (31.12.2019: CHF 880 million). Financial liabilities totalling CHF 431 million (CHF 404 million) are secured through property mortgages.

The average interest rate on financial liabilities is 1.66% (31.12.2019: 1.79%) with an average fixed interest period of 56 months (64 months), taking into account current interest rate hedging transactions. At the balance sheet date, 79% (85%) were fixed-rate mortgages, interest rate hedged rollover loans or fixed-rate bonds and 21% (15%) rollover loans without interest rate hedging.

All financial covenants agreed with various banks were complied with during the period under review. The most important financial covenants are the consolidated equity ratio (at least 30%) and the absolute amount of equity (at least CHF 350 million). In some loan agreements, financial key figures relating to the interest cover factor ( $\geq 2.0$ ) or the maximum loan-to-value ratio are also contractually fixed.

The outstanding bond is reported as follows and is shown under long term financial liabilities in the consolidated balance sheet.

(in CHF 1,000)	<b>30.6.2020</b>	31.12.2019
Balance as at 1.1.	100,136	225,172
Repayment	0	-125,000
Amortisation issue premium and issue costs	-21	-36
Balance as at balance sheet date	<b>100,115</b>	100,136



The outstanding bond was issued on the following terms:

	<b>1.125% bond 2015-2023</b>
Volume	CHF 100 million
Term	8 years (17.4.2015-17.4.2023)
Coupon	1.125%, payable annually on 17.4.
effective interest rate	1.09%
Listing	SIX Swiss Exchange
Swiss security number	27 577 643

The terms and conditions of the bond include obligations that limit the collateralisation of certain liabilities and limit the amount of consolidated financial liabilities to 70% of the market value of the properties. These conditions were met during the period under review

## 5 Derivative financial instruments

At the balance sheet date, cash flow interest rate hedges (interest rate swaps) with contract volume of CHF 157 million (31.12.2019: CHF 157 million) were in place. The details are shown in the tables below:

### 30.6.2020 (in CHF 1,000)

Maturity	Interest rate	Contract value	Fair value	
			positive	negative
2021	1.19%	45,000	-	1,091
2021	0.93%	30,000	-	627
2021	1.33%	20,000	-	310
2028	1.46%	24,000	-	3,752
2028	1.47%	38,000	-	6,127
<b>Total</b>		<b>157,000</b>	-	<b>11,907</b>

### 31.12.2019 (in CHF 1,000)

Maturity	Interest rate	Contract value	Fair value	
			positive	negative
2021	1.19%	45,000	-	1,514
2021	0.93%	30,000	-	868
2021	1.33%	20,000	-	519
2028	1.46%	24,000	-	3,572
2028	1.47%	38,000	-	5,800
<b>Total</b>		<b>157,000</b>	-	<b>12,273</b>

Changes in the fair value of interest rate hedges of CHF 0.4 million (before deferred taxes) and CHF 0.3 million (after deferred taxes) were recorded directly in equity.

## 6 Share capital

	Shares at nominal CHF 10 (number)	Total nominal value (in CHF 1,000)
Issued share capital as at 31.12.2019	1,900,000	19,000
<b>Issued share capital as at 30.6.2020</b>	<b>1,900,000</b>	<b>19,000</b>

**Treasury shares:**

	(Number)	(in CHF 1,000)
<b>Balance as at 1.1.2019</b>	15,291	7,578
Purchase of treasury shares	106,729	54,875
Share-based payments (participation plan)	-2,020	-1,010
Capital reduction	-100,000	-51,500
Price difference	-	36
<b>Balance as at 31.12.2019</b>	20,000	9,979
Purchase of treasury shares	2,122	1,298
Share-based payments (participation plan)	-2,122	-1,009
Price difference	-	-289
<b>Balance as at 30.6.2020</b>	<b>20,000</b>	<b>9,979</b>

**7 Net asset value (NAV) per share**

	<b>30.6.2020</b>	31.12.2019
Shareholders' equity <sup>1)</sup>	653,130	666,146
Number of shares outstanding <sup>2)</sup>	1,880,000	1,880,000
<b>Shareholders' equity per share (NAV)<sup>3)</sup></b>	<b>347.41</b>	<b>354.33</b>

1) In CHF 1,000

2) Issued shares less treasury shares at balance sheet date

3) In CHF

**8 Rental income**

(in CHF 1,000)	<b>1st HY 2020</b>	1st HY 2019
Investment properties		
Office properties	21,581	22,109
Commercial properties	11,608	11,925
Residential properties	1,452	1,802
Development properties	4,672	5,935
Disposals	187	173
<b>Total</b>	<b>39,500</b>	<b>41,944</b>

In connection with the Covid-19 related restrictions, agreements have been implemented in a cooperative way with the vast majority of the tenants concerned, which, depending on the duration and severity of the restrictions, include rent deferrals or rent reductions of generally one to two months' rent. The total of the agreed or expected rent reductions amounted to CHF 0.7 million in the first half of the year. In addition, rent deferrals of CHF 0.3 million were impaired, which also reduced rental income by the corresponding amount.

Lease maturity as at the balance sheet date is as follows:

(in %)	30.6.2020	31.12.2019
Residential	5.4	6.4
without fixed maturity	18.6	17.8
< 1 year	7.2	8.2
1 to 2 years	15.9	14.5
2 to 3 years	13.6	11.8
3 to 4 years	9.2	8.5
4 to 5 years	10.9	10.2
> 5 years	19.2	22.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

The five largest tenants as at the balance sheet date are listed below:

(in %)	30.6.2020	31.12.2019
Canton of Vaud	6.4	6.3
Canton of Zurich	4.5	4.4
Sauvin Schmidt SA	4.1	4.2
Migros	3.3	3.4
Galderma SA	2.6	2.6
<b>Total</b>	<b>20.9</b>	<b>20.9</b>

The share of the public sector, which includes all lease agreements with the Confederation, cantons, municipalities or related legal entities and organisations, amounted to 13.1% (31.12.2019: 13.0%) as at the balance sheet date.

#### 9 Net gains from property disposals

(in CHF 1,000)	1st HY 2020	1st HY 2019
Sales proceeds investment properties	20,100	50,650
Change in provision for warranties	0	329
Fair value at the beginning of the year	-14,209	-42,486
Investments current year	-21	-1,914
Gross gains from property disposals	<b>5,870</b>	6,579
Disposal costs	-137	-146
<b>Net gains investment properties</b>	<b>5,733</b>	6,433
Sales proceeds development properties	12,244	0
Fair value at the beginning of the year	-1,894	0
Investments current year	-1,495	0
Gross gains from property disposals	<b>8,855</b>	0
Disposal costs	-73	0
<b>Net gains development properties</b>	<b>8,782</b>	0
<b>Total</b>	<b>14,515</b>	6,433

In the period under review, Intershop sold the investment property at Schlossmattstrasse 9, Kilchberg and 16,325 m<sup>2</sup> of land on the development property industrial park Oberwinterthur-Neuhegi in Winterthur.

10 **Property expense**

(in CHF 1,000)	1st HY 2020	1st HY 2019
Investment properties		
Office properties	2,173	2,469
Commercial properties	857	869
Residential properties	226	339
Development properties	848	540
Disposals	65	-13
<b>Total</b>	<b>4,169</b>	<b>4,204</b>

Property expense comprises of the following:

(in CHF 1,000)	1st HY 2020	1st HY 2019
Maintenance and repair	1,510	1,530
Third-party rent	11	27
Insurance expense	523	537
Taxes and duties	406	401
Ground rent	450	511
Property management fees	218	226
Non-recoverable service charges	771	650
Other expenses	280	322
<b>Total</b>	<b>4,169</b>	<b>4,204</b>

11 **Changes in fair value of properties**

(in CHF 1,000)	1st HY 2020	1st HY 2019
Increase in value of investment properties	11,626	9,022
Decrease in value of investment properties	-10,420	-1,051
Increase in value of development properties	2,508	1,674
Decrease in value of development properties	-2,831	-1,244
<b>Total</b>	<b>883</b>	<b>8,401</b>

KPMG AG Real Estate, Zurich, was mandated as an independent real estate valuer. The range of nominal discount rates has narrowed slightly at 3.5% to 6.5% compared to the valuation at the end of 2019 with 3.2% to 6.7%.

In connection with the economic effects of the corona virus and the fight against the pandemic, KPMG AG has identified increased valuation uncertainty for the valuation of properties, since there have been none or insufficient comparable transactions available with the same underlying conditions.

12 **Financial result**

(in CHF 1,000)	1st HY 2020	1st HY 2019
Interest income	54	9
Other financial income	0	36
<b>Total financial income</b>	<b>54</b>	<b>45</b>
(in CHF 1,000)	1st HY 2020	1st HY 2019
Interest expense	-4,528	-5,147
Other financial expense	0	0
<b>Total financial expense</b>	<b>-4,528</b>	<b>-5,147</b>

Interest income includes interest on cash and cash equivalents, securities and fixed deposits. Interest expense includes interest on mortgages, loans and bonds. Other financial income and expenses include valuation results from the management of liquid assets.

### 13 Tax expense

(in CHF 1,000)	1st HY 2020	1st HY 2019
Ordinary income tax	8,743	10,382
Deferred taxes	-1,025	-9,360
<b>Total</b>	<b>7,718</b>	<b>1,022</b>

The sale of one investment property and one development property resulted in gains that are subject to property gains tax, which is classified as ordinary income tax. At the same time, the related deferred taxes were reduced. In the previous year, the tax rate reductions in various cantons decided upon after the vote on the tax reform (TRAF) resulted in a reduction of deferred taxes by CHF 6.8 million.

### 14 Earnings per share

	1st HY 2020	1st HY 2019
Net income <sup>1)</sup>	33,944	41,902
Average number of shares outstanding <sup>2)</sup>	1,879,690	1,924,852
Number of shares outstanding for the calculation of diluted earnings <sup>3)</sup>	1,879,690	1,924,852
<b>Earnings per share<sup>5)</sup></b>	<b>18.06</b>	<b>21.77</b>
<b>Diluted earnings per share<sup>5)</sup></b>	<b>18.06</b>	<b>21.77</b>
Net income <sup>1)</sup>	33,944	41,902
Changes in fair value of properties <sup>1)</sup>	-883	-8,401
Deferred tax on changes in fair value of properties <sup>1) + 4)</sup>	184	1,801
Net income excluding changes in fair value of properties	33,245	35,302
Average number of shares outstanding <sup>2)</sup>	1,879,690	1,924,852
<b>Earnings per share excl. changes in fair value of properties</b>	<b>17.69</b>	<b>18.34</b>

1) In CHF 1,000

2) Issued shares less treasury shares calculated on a daily basis

3) Taking into account any additional shares created through conversion or option rights

4) Calculated using the average deferred tax rate of the corresponding year

5) In CHF

### 15 Events after the balance sheet date

These consolidated half-year financial statements were approved for publication by the Board of Directors on 20 August 2020.

No significant events occurred after the balance sheet date up to the date of approval of the consolidated half-year financial statements.

## Detailed information on the investment property portfolio

Balance as at 30 June 2020

Location	Address	Owner	Type of ownership	Percentage of ownership	Year of acquisition	Year of construction	Year of renovation
<b>Office properties</b>							
<b>Zurich area</b>							
Cham	Gewerbestrasse 11	SGIC	AE	100%	2006	1990/91	–
Dielsdorf	Honeywellplatz 1	SGIC	AE	100%	2009	1987	2016-18
Dubendorf	Stettbachstrasse 7	SGI	AE	100%	2008	1971	1994
Zurich	Baslerstrasse 30/Freihofstrasse 9	SGI	AE	100%	1999	1948–63	2002–04
Zurich	Hohlstrasse 190+192	SGIC	AE	100%	2007	1985	–
Zurich	Puls 5, Bürogebäude	SGIP	AE	100%	2002	2001–04	–
Zurich	Puls 5, Giessereihalle	SGIP	SW	51.0%	2002	2001–04	–
Zurich	Rautistrasse 33	SGIC	AE	100%	2010	1984	2012/16
Zurich	Sihlquai 253–259	SGI	SW/BR	45.9%	02/06	1986	–
Zurich	Staffelstrasse 8+10+12	SGI	AE	100%	1998	1923–63	2002–04
Zurich	Uetlibergstrasse 124, 130, 132, 134	SGI	AE	100%	1999	1893/1958	2002/08
<b>Zurich area</b>							
<b>Lake Geneva area</b>							
Geneva	Rue de Lausanne 42+44	SGI	AE	100%	99/05	1961	2019-2020
Lausanne	World Trade Center, Avenue Gratta-Paille 1-2	SGI	AE	100%	2016	1991-92	–
Pully	Avenue C.-F. Ramuz 43	SGI	AE	100%	1999	1987	–
<b>Lake Geneva area</b>							
<b>Basle / Berne / Midlands</b>							
Basle	Lehenmattstrasse 260	DB	AE	100%	2006	1962	–
Belp	Airport Business Center, Hühnerhubelstrasse 58,60,62,64,66	SGI	SW	95.0%	1997	1992	–
Berne	Waldhöhweg 1	SGI	AE	100%	1998	1961	1996
Fribourg	Rue de l'Industrie 21	SGI	AE	100%	1999	1969	1985
Grenchen	Postmarkt, Kirchstrasse 1	SGI	AE	100%	1998	1988–90	1998–00
Oberentfelden	Ausserfeldstrasse 9	SGI	BR	100%	1998	1989	–
Reinach/BL	Sternenhofstrasse 15/15A	SGI	SW	100%	98/08	1989	–
Rombach	Bibersteinerstrasse 4	SGI	AE	100%	99/19	1991	2009
Studen/BE	Sägeweg 7	SGI	AE	100%	1998	1989	–
<b>Basle/Berne/Midlands</b>							
<b>Other areas</b>							
St. Gallen	Heiligkreuzstrasse 9+11	SGI	AE	100%	1998	1960	2012/13
<b>Other areas</b>							

### Total office properties

1) As at the balance sheet date

2) During the reporting period

Abbreviations are shown on page 32

Area (in m²)	Office	Leasable area (in m²)				Other	Number of Total parking spaces	Target rent (in TCHF)	Vacancy rate <sup>1)</sup> (in %)	Rental income (in TCHF) <sup>2)</sup>		
		Retail	Industrial/storage	Residential						Gross	Expense	Net
4,109	5,463	0	1,799	0	16	7,278	159	1,606	36.0			
8,361	3,153	0	5,644	0	504	9,301	158	1,387	25.0			
9,434	3,726	0	4,017	0	0	7,743	95	1,460	1.1			
28,381	10,802	0	10,855	273	1,042	22,972	164	4,574	12.2			
3,884	4,047	1,086	2,872	163	68	8,236	193	1,881	1.0			
4,658	10,748	1,424	579	0	0	12,751	42	4,547	0.0			
7,567	6,588	1,286	1,144	0	4,488	13,506	79	5,047	1.5			
1,428	2,745	427	913	0	0	4,085	84	958	13.6			
3,212	5,438	0	2,636	0	0	8,074	41	1,975	1.0			
4,009	8,046	0	4,319	0	109	12,474	84	2,912	6.0			
12,656	12,772	0	1,710	272	430	15,184	165	5,537	0.5			
<b>87,699</b>	<b>73,528</b>	<b>4,223</b>	<b>36,488</b>	<b>708</b>	<b>6,657</b>	<b>121,604</b>	<b>1,264</b>	<b>31,884</b>	<b>6.1</b>	<b>14,035</b>	<b>1,071</b>	<b>12,964</b>
948	1,949	682	108	2,630	0	5,369	0	1,754	36.7			
14,651	16,019	69	1,723	0	1,058	18,869	660	7,347	4.4			
3,178	2,313	0	578	0	0	2,891	53	963	1.5			
<b>18,777</b>	<b>20,281</b>	<b>751</b>	<b>2,409</b>	<b>2,630</b>	<b>1,058</b>	<b>27,129</b>	<b>713</b>	<b>10,064</b>	<b>9.7</b>	<b>4,570</b>	<b>588</b>	<b>3,982</b>
1,842	0	1,028	221	0	121	1,370	0	246	0.0			
28,738	11,405	0	8,393	202	1,946	21,946	305	2,881	28.6			
1,178	0	2,084	476	780	0	3,340	32	709	0.4			
787	537	0	519	0	0	1,056	14	147	5.1			
2,283	2,327	1,232	285	949	185	4,978	85	681	15.6			
5,920	1,932	0	1,400	151	63	3,546	83	485	32.3			
4,389	3,805	1,259	2,545	0	935	8,544	140	1,501	10.1			
5,346	0	814	1,327	326	1,450	3,917	62	523	16.3			
5,663	1,540	0	1,309	107	28	2,984	79	385	38.7			
<b>56,146</b>	<b>21,546</b>	<b>6,417</b>	<b>16,475</b>	<b>2,515</b>	<b>4,728</b>	<b>51,681</b>	<b>800</b>	<b>7,558</b>	<b>19.6</b>	<b>2,907</b>	<b>504</b>	<b>2,403</b>
866	810	0	507	0	0	1,317	18	247	44.3			
<b>866</b>	<b>810</b>	<b>0</b>	<b>507</b>	<b>0</b>	<b>0</b>	<b>1,317</b>	<b>18</b>	<b>247</b>	<b>44.3</b>	<b>69</b>	<b>10</b>	<b>59</b>
<b>163,488</b>	<b>116,165</b>	<b>11,391</b>	<b>55,879</b>	<b>5,853</b>	<b>12,443</b>	<b>201,731</b>	<b>2,795</b>	<b>49,753</b>	<b>9.1</b>	<b>21,581</b>	<b>2,173</b>	<b>19,408</b>

## Detailed information on the investment property portfolio (continued)

Balance as at 30 June 2020

Location	Address	Owner	Type of ownership	Percentage of ownership	Year of acquisition	Year of construction	Year of renovation
<b>Commercial properties</b>							
<b>Zurich area</b>							
Dietikon	Lagerstrasse 6–8	SIG	AE	100%	2009	1973/91/05/08	–
Hori	Hofstrasse 1	SIG	AE	100%	2000	1990	–
Regensdorf	Althardstrasse 301	SIG	AE	100%	2000	1965	1992
Ruti	Im Neuhof	SIG	AE	100%	1999	1993	–
Würenlos	Landstrasse 2	SIG	AE	100%	2002	1984	–
<b>Zurich area</b>							
<b>Lake Geneva area</b>							
Vernier	Chemin de Morglas	SIG	BR	100%	2002	2000–2002	–
Yverdon	Centre St-Roch, Rue des Pêcheurs 8	SIG	AE	100%	1997	1956	seit 1998
Yverdon	Rue des Uttins 27	SIG	AE	100%	2007	1970	2007/08
<b>Lake Geneva area</b>							
<b>Basle/Berne/Midlands</b>							
Berne	Hofweg 5/Dammweg 27	SIG	AE	100%	2005	1935/1956	–
Interlaken	Untere Bönigstrasse 27	SGIC	AE	100%	2012	2013	–
Lyss	Industriering 43	SIG	AE	100%	1999	1964–91	2001/02
Lyss	Südstrasse 17	SGIC	AE	100%	2012	2007	2011
<b>Basle/Berne/Midlands</b>							
<b>Other areas</b>							
Bad Ragaz	Elestastrasse 16, 16a+18	SIG	AE	100%	1999	1960/1987	1999–02
St.Gallen	Oststrasse 25/Schlösslistrasse 20	SIG	AE	100%	1998	1962	–
St.Gallen	Oststrasse 29+31	SIG	AE	100%	1998	1968	2000
St.Gallen	Spinnereistrasse 10+12+14	SIG	AE	100%	1998	1968	1983
<b>Other areas</b>							
<b>Total commercial properties</b>							
<b>Residential properties</b>							
<b>Basle/Berne/Midlands</b>							
Basle	Redingstrasse 10/12+20/22	DB	AE	100%	2006	1969	–
<b>Total residential properties</b>							
<b>Total investment properties</b>							

1) As at the balance sheet date

2) During the reporting period

Abbreviations are shown on page 32



Area (in m²)	Office	Leasable area (in m²)				Other	Number of Total parking spaces	Target rent (in TCHF)	Vacancy rate <sup>1)</sup> (in %)	Rental income (in TCHF) <sup>2)</sup>		Net
		Retail	Industrial/storage	Residential						Gross	Expense	
15,965	3,703	0	9,807	0	2,502	16,012	65	2,458	0.0			
10,622	3,787	0	10,566	0	110	14,463	125	1,670	0.0			
16,471	1,828	0	12,300	211	0	14,339	69	1,708	4.5			
6,949	879	0	3,857	0	0	4,736	80	586	0.3			
5,877	530	0	5,878	358	292	7,058	57	707	6.9			
<b>55,884</b>	<b>10,727</b>	<b>0</b>	<b>42,408</b>	<b>569</b>	<b>2,904</b>	<b>56,608</b>	<b>396</b>	<b>7,129</b>	<b>1.8</b>	<b>3,410</b>	<b>121</b>	<b>3,289</b>
30,725	0	0	41,496	0	0	41,496	0	3,718	0.0			
57,846	29,640	2,472	11,545	1,102	1,985	46,744	641	7,805	3.2			
3,101	1,774	0	342	0	0	2,116	40	384	65.0			
<b>91,672</b>	<b>31,414</b>	<b>2,472</b>	<b>53,383</b>	<b>1,102</b>	<b>1,985</b>	<b>90,356</b>	<b>681</b>	<b>11,907</b>	<b>4.2</b>	<b>5,824</b>	<b>520</b>	<b>5,304</b>
1,875	143	0	2,182	1,353	0	3,678	10	636	15.4			
3,467	0	0	1,133	0	20	1,153	20	215	0.0			
44,908	3,162	0	13,044	0	50	16,256	430	1,664	36.6			
2,220	0	0	1,230	0	0	1,230	11	164	0.0			
<b>52,470</b>	<b>3,305</b>	<b>0</b>	<b>17,589</b>	<b>1,353</b>	<b>70</b>	<b>22,317</b>	<b>471</b>	<b>2,679</b>	<b>26.4</b>	<b>940</b>	<b>107</b>	<b>833</b>
16,540	2,627	0	9,942	0	133	12,702	150	1,237	9.5			
2,905	1,717	0	3,652	170	0	5,539	59	583	0.0			
2,307	88	0	2,075	1,107	0	3,270	12	319	0.0			
3,528	2,495	0	4,464	0	0	6,959	79	941	0.7			
<b>25,280</b>	<b>6,927</b>	<b>0</b>	<b>20,133</b>	<b>1,277</b>	<b>133</b>	<b>28,470</b>	<b>300</b>	<b>3,080</b>	<b>4.0</b>	<b>1,434</b>	<b>109</b>	<b>1,325</b>
<b>225,306</b>	<b>52,372</b>	<b>2,472</b>	<b>133,513</b>	<b>4,301</b>	<b>5,092</b>	<b>197,751</b>	<b>1,848</b>	<b>24,795</b>	<b>5.9</b>	<b>11,608</b>	<b>857</b>	<b>10,751</b>
11,966	0	0	0	17,177	0	17,177	188	2,963	3.7	<b>1,452</b>	<b>226</b>	<b>1,226</b>
<b>11,966</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17,177</b>	<b>0</b>	<b>17,177</b>	<b>188</b>	<b>2,963</b>	<b>3.7</b>	<b>1,452</b>	<b>226</b>	<b>1,226</b>
<b>400,760</b>	<b>168,538</b>	<b>13,863</b>	<b>189,392</b>	<b>27,331</b>	<b>17,535</b>	<b>416,659</b>	<b>4,831</b>	<b>77,511</b>	<b>7.9</b>	<b>34,641</b>	<b>3,256</b>	<b>31,385</b>

## Detailed information on the development and promotional property portfolio

Balance as at 30 June 2020

Location	Address	Owner	Type of ownership	Percentage of ownership	Year of acquisition	Year of construction	Year of renovation
<b>All regions</b>							
Au-Wädenswil	Seestrasse 295	SGI	AE	100%	2001	1960–1987	–
Baden	Romerstrasse 36–36c <sup>3)</sup>	SGI	AE	100%	06/07	1958	1990
Basle	Gellertstrasse 151, 157, 163 <sup>3)</sup>	DB	AE	100%	2006	1968	–
Biel	Maurerweg 10+12	SGI	AE	100%	1998	1932	1968
Flurlingen	Winterthurerstrasse 702 (Arova-Hallen)	SGI	AE	100%	2007	1875–1963	2018
Pfaffikon/SZ	Talstrasse 35–37	SGI	BR	100%	2000	1987	2020
St. Gallen	Oststrasse 23	SGI	AE	100%	2019	1920–1970	–
Winterthur	Industriepark Oberwinterthur-Neuhegi	SGIC	AE	100%	2012	1947–2005	–
Wohlen	Nordstrasse 1	SGI	AE/BR	100%	2018	1972–1987	1990
Zurich	Rudigerstrasse 1 (edeneins) <sup>3)</sup>	SGI	SW	0.2%	1998	2007–2009	–
Zurich	Staffelstrasse 14–22 (edendre) <sup>3)</sup>	SGI	SW	0.8%	1998	2009–2011	–

### Land plots

Solothurn	Oberer Bruhl (Am Wildbach) <sup>3)</sup>	SGI	AE	100%	1998	n/a	n/a
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## Total development and promotional properties

## Detailed information on the acquisitions and disposals of property

Balance as at 30 June 2020

Location	Address	Owner	Type of ownership	Percentage of ownership	Year of acquisition	Transfer date
<b>Disposals</b>						
Kilchberg	Schlossmattstrasse 9	SGI	BR	100%	2014	31.03.2020
Winterthur	Industriepark Oberwinterthur-Neuhegi <sup>4)</sup>	SGIC	AE	100%	2012	29.06.2020

1) As at the balance sheet date

2) During the reporting period

3) Promotional properties

4) Partial disposal

### Abbreviations

Owner:	DB	= De Bary & Co. AG
	SGI	= SGI Schweizerische Gesellschaft für Immobilien AG
	SGIC	= SGI City Immobilien AG
	SGIP	= SGI Promotion AG
Type of ownership:	AE	= Freehold
	BR	= Leasehold
	ME	= Joint ownership
	SW	= Joint ownership; the percante shown represents the part owned by intershop

Area (in m <sup>2</sup> )	Office	Leasable area (in m <sup>2</sup> )				Other	Total	Number of parking spaces	Target rent (in TCHF)	Vacancy rate <sup>1)</sup> (in %)	Rental income (in TCHF) <sup>2)</sup>		
		Retail	Industrial/storage	Residential							Gross	Expense	Net
42,965	5,772	0	20,636	0	880		27,288	304	546	13.6			
9,274	0	0	0	0	0		0	0	n/a	n/a			
5,031	0	0	0	0	0		0	0	n/a	n/a			
1,492	836	0	1,004	120	0		1,960	15	125	19.9			
54,001	4,120	0	32,555	268	351		37,294	277	3,143	42.2			
9,349	4,011	0	4,864	98	0		8,973	134	1,542	99.6			
1,728	0	0	632	306	0		938	1	70	19.7			
119,828	10,334	0	41,962	0	4,355		56,651	602	6,095	14.3			
17,414	3,232	0	9,879	0	65		13,176	160	746	30.3			
5	0	0	0	0	0		0	2	n/a	n/a			
30	0	0	0	0	0		0	10	n/a	n/a			
37,557	0	0	0	0	0		0	0	n/a	n/a			
<b>298,674</b>	<b>28,305</b>	<b>0</b>	<b>111,532</b>	<b>792</b>	<b>5,651</b>		<b>146,280</b>	<b>1,505</b>	<b>12,267</b>	<b>33.2</b>	<b>4,672</b>	<b>848</b>	<b>3,824</b>

Area (in m <sup>2</sup> )	Office	Leasable area (in m <sup>2</sup> )				Other	Total	Number of parking spaces
		Retail	Industrial/storage	Residential				
3,126	0	0	0	1,928	70		1,998	28
16,325	0	0	0	0	0		0	0

## Addresses

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### **58<sup>th</sup> Annual General Meeting**

Wednesday, 31 March 2021  
Cigarettenfabrik Eventhalle 268  
Sihlquai 268, 8005 Zurich

### **Reporting**

Presentation of Half-Year Report 2020	27 August 2020
Presentation of Annual Report	2 March 2021

### **Listing**

SIX Swiss Exchange

### **Investment products**

Registered share  
1.125% bond 2015–2023

### **Security number**

27'377'479  
27'577'643

### **Ticker**

ISN  
ISH15

### **Swiss tax value as at 31.12.2019**

Registered share	CHF 567.00
1.125% bond 2015–2023	102.90

### **Investor Relations**

Cyrill Schneuwly  
Thomas Kaul

### **Languages**

German and English

This Half-year report 2020 is a translation of the Half-year report 2020 in German.  
Only the Half-year report in German which is available on [www.intershop.ch](http://www.intershop.ch) is legally binding.

