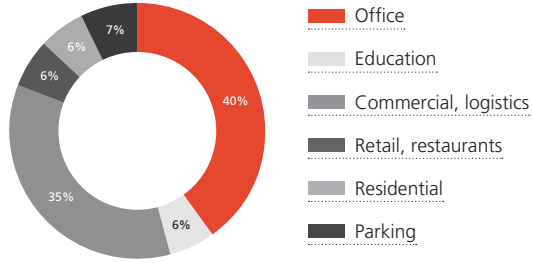


# Summary Half-year report

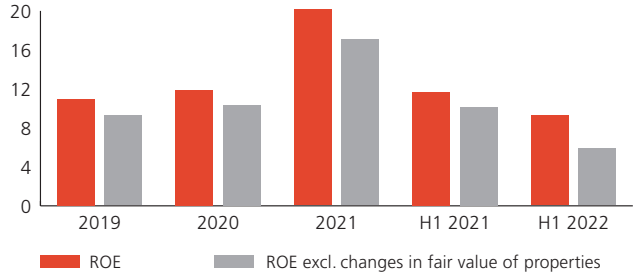
2022



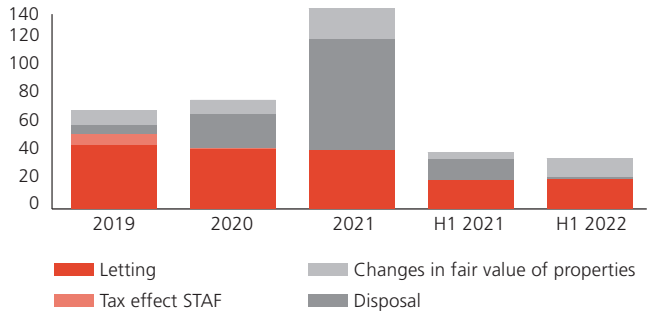
### Portfolio by use (in CHF)



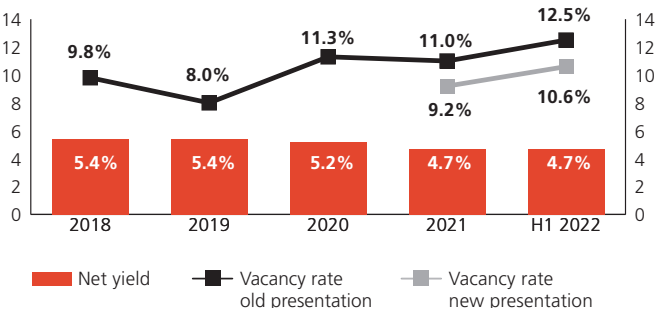
### Return on equity (in percent)



### Net profit (in CHF m)



### Net yield and vacancy rate of investment properties (in percent, from 2021 new presentation)



## Key figures intershop Group

1st HY 2022      1st HY 2021

### Financials

Net rental income	m CHF	33.7	33.5
Net gains from property disposals	m CHF	1.5	17.7
Changes in fair value of properties	m CHF	19.3	6.2
Operating result (EBIT)	m CHF	49.8	52.4
Earnings before tax (EBT)	m CHF	46.6	48.2
Net profit	m CHF	36.4	40.9
Net cash from operations	m CHF	5.9	34.0
Investments in real estate	m CHF	39.8	33.9
Total assets <sup>2)</sup>	m CHF	1,468.7	1,426.7
Total value of property portfolio <sup>2)</sup>	m CHF	1,449.6	1,387.3
Financial liabilities <sup>2)</sup>	m CHF	514.9	428.9
Shareholders' equity <sup>2)</sup>	m CHF	768.2	809.7
Return on equity <sup>1)</sup>		9.2%	11.6%
Return on equity excl.changes in fair value of properties <sup>1) 6)</sup>		5.8%	10.1%

### Portfolio

Number of investment properties <sup>2)</sup>		29	39
Number of development properties <sup>2) 7)</sup>		21	12
Lettable area <sup>2)</sup>	in m <sup>2</sup>	513,814	513,253
Gross yield <sup>2) 3) 4)</sup>		5.4%	5.4%
Net yield <sup>2) 3) 5)</sup>		4.7%	4.7%
Vacancy rate investment property portfolio <sup>2) 3)</sup>		10.6%	9.2%
Vacancy rate development property portfolio <sup>2)</sup>		19.5%	19.8%
Vacancy rate total portfolio <sup>2)</sup>		13.8%	12.8%

### Personnel

Number of employees <sup>2)</sup>		72	74
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### Share

Earnings per share <sup>6)</sup>	CHF	19.38	21.51
Earnings per share excl.changes in fair value of properties <sup>6)</sup>	CHF	12.19	18.82
Net asset value per share (NAV) <sup>2) 8)</sup>	CHF	416.69	426.40
Share price at balance sheet date <sup>2)</sup>	CHF	617.00	612.00
Dividend per share <sup>9)</sup>	CHF	25.00	25.00

1) Based on the average shareholders' equity during the period, see «Alternative performance measures», Annual report 2021, p 120

2) Figures as at 30.06.2022 and as at 31.12.2021

3) Figures relate to the investment property portfolio as at the balance sheet date; figures as at 31.12.2021 adjusted for the new presentation of the portfolio as described in the Annual report 2021, p 13.

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 2021, p 120

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 2021, p 120

6) See «Earnings per share», Half-year report 2022, p 29

7) Including promotional properties

8) See «Net asset value per share», Half-year report 2022, p 26

9) Dividend paid in the first half-year for the financial year 2021 and 2020

## Letter to shareholders

Dear shareholders, business partners and employees

In a challenging environment, business developed as follows in the first half of 2022.

- The Group's net profit amounts to CHF 36.4 million or CHF 19.38 per share, which corresponds to a return on equity of 9.2%.
- The market value of the AuPark in Wädenswil increased by CHF 16.6 million following the receipt of the legally binding building permit, contributing significantly to the revaluation gain of CHF 19.3 million.
- The gross yield of the investment property portfolio remained unchanged at 5.4% and the net yield at 4.7%.

The decline in net profit is due to lower gains on disposals. Intershop's strategy of realising added value by selling developed projects and properties leads to a volatility in profits depending on the timing of projects.

Rental income increased slightly, as expected, by a good 1% to CHF 37.7 million. The reduction in rental income due to the sale of Hohlstrasse in Zurich was more than compensated for by new lettings and income from Stadler Rail's assembly hall in Oberwinterthur, which went into operation on 1 January of the year under review. A gain of CHF 1.5 million was realised from the disposal of a small development property. As a result of last year's placement of the Green Bond, financial expenses were reduced significantly by about a quarter to CHF 3.2 million.

At the end of the year under review, the Group's equity amounted to CHF 768 million, CHF 42 million less than at the beginning of the year after payment of the dividend of CHF 47 million. This decrease was, in part, due to the acquisition of treasury shares worth CHF 36 million. In accordance with accounting principles, the purchase price has been offset against shareholders' equity. Some 75% of the paid dividend of CHF 25 per share has already been re-earned. At the end of the period under review, the pro rata equity per share, excluding treasury shares, amounted to CHF 417.

### Business review

Rental income increased slightly. Excluding additions and disposals (like-for-like), income from the investment property portfolio rose by 2.9% and from the development property portfolio by 3.8%. The vacancy rate of the investment property portfolio increased from 9.2% to 10.6%, while that of the development property portfolio remained stable. 3.0 percentage points of the vacant areas in the investment property portfolio and around 40% of the vacant spaces in the development property portfolio were deliberately not let, as the spaces are affected by ongoing or planned conversions and refurbishments. The net yield of the investment property portfolio reached 4.7% in the first half of the year, and that of the development property portfolio, 5.8%. The construction projects in Basel and Wohlen are proceeding according to plan. In Vernier there is a slight delay due to an outstanding planning permission. Contrary to expectations, construction work in Baden could not be accelerated. As a result, only 19 commonhold flats can be handed over to the buyers in the current year. The remaining flats will be handed over in the first quarter of 2023. The building permission for the «AuPark» development project in Wädenswil arrived somewhat earlier than last expected. Since no objections were raised against it, it has since become legally binding.

### Organisation

The 59<sup>th</sup> Annual General Meeting approved all proposals of the Board of Directors. Ernst Schaufelberger was elected Chairman to succeed Dieter Marmet, who did not stand for re-election. Kurt Ritz was confirmed as a member of the Board of Directors for another year and Christoph Nater was newly elected.

## Outlook

Rental income in the second half of the year is expected to be at the level of the previous year (like-for-like), since planned or ongoing renovation works continue at the large properties in Lausanne and Basle and therefore, no increase is anticipated in the immediate future. In view of the current economic uncertainties, commercial tenants and SMEs in particular, a key customer segment for Intershop, are being cautious and are holding off on leases or lease extensions. Therefore, a significant vacancy reduction in the second half of the year seems unlikely. While the work on the extension of the two high-rise residential buildings in Basel and the renovation of the office building in Wohlen should be largely completed in the current year, construction work on the «Orubi» commercial building in Vernier will start in autumn.

The transaction market will continue to be closely monitored. Purchase opportunities that enable the realisation of added value will be taken advantage of. Disposal opportunities will continue to be utilised in order to realise the added value that has already been generated. Intershop expects a profit contribution in the low single-digit million range from the sale of the 19 commonhold apartments in Baden. As already mentioned in the Annual Report 2021, Intershop has been examining options regarding the «AuPark» project in Wädenswil. At the time of the approval of the half-year report, advanced negotiations were underway for the sale of the project. A possible sale would have a substantial impact on the 2022 financial statements. Changes to the market values of the property portfolio cannot be reasonably forecast. Excluding changes in market values and assuming that there is no recession in Switzerland, Intershop again expects a good result, which should allow the attractive dividend policy to be maintained.



Ernst Schaufelberger  
Chairman of the  
Board of directors



Cyrill Schneuwly  
Chief Executive Officer

Zurich, 18 August 2022

## Consolidated balance sheet

(in CHF 1,000)

<b>Assets</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
<b>Current assets</b>		
Cash	10,779	31,701
Trade receivables	118	252
Other receivables	6,179	5,944
Promotional properties	54,920	45,068
Accrued income and prepaid expenses	1,540	966
<b>Total current assets</b>	<b>73,536</b>	<b>83,931</b>
<b>Non-current assets</b>		
Investment properties	948,123	1,153,767
Development properties	446,599	188,459
Other equipment	255	249
Deferred tax assets	165	155
Employer contribution reserves	0	170
<b>Total non-current assets</b>	<b>1,395,142</b>	<b>1,342,800</b>
<b>Total assets</b>	<b>1,468,678</b>	<b>1,426,731</b>
<b>Shareholders' equity and liabilities</b>		
<b>Current liabilities</b>		
Short term financial liabilities	220,032	34,000
Trade payables	26,193	21,664
Tax liabilities	7,174	12,255
Short term provisions	1,325	1,335
Accrued expenses and deferred income	15,630	19,016
<b>Total current liabilities</b>	<b>270,354</b>	<b>88,270</b>
<b>Non-current liabilities</b>		
Long term financial liabilities	294,858	394,892
Derivative financial instruments	763	6,437
Deferred tax liabilities	131,788	124,655
Long term provisions	2,741	2,741
<b>Total non-current liabilities</b>	<b>430,150</b>	<b>528,725</b>
<b>Total liabilities</b>	<b>700,504</b>	<b>616,995</b>
<b>Shareholders' equity</b>		
Share capital	19,000	19,000
Capital reserves	7,781	7,757
Treasury shares	-35,789	-631
Retained earnings	777,182	783,610
<b>Total shareholders' equity</b>	<b>768,174</b>	<b>809,736</b>
<b>Total shareholders' equity and liabilities</b>	<b>1,468,678</b>	<b>1,426,731</b>

## Consolidated income statement

(in CHF 1,000)

	1st HY 2022	1st HY 2021
Rental income	37,698	37,293
Net gains from property disposals	1,536	17,730
Other income	2,026	1,989
<b>Total operating income</b>	<b>41,260</b>	57,012
Property expense	4,010	3,813
Personnel expense	5,382	5,693
Administrative expense	1,380	1,322
<b>Total operating expense</b>	<b>10,772</b>	10,828
Changes in fair value of properties	19,264	6,179
<b>Operating result (EBIT)</b>	<b>49,752</b>	52,363
Financial income	12	26
Financial expense	-3,199	-4,193
<b>Profit before taxes</b>	<b>46,565</b>	48,196
Tax expense	-10,162	-7,319
<b>Net income</b>	<b>36,403</b>	40,877
<b>Earnings per share (CHF)</b>	<b>19.38</b>	21.51

## Contact

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www.intershop.ch

## 60<sup>th</sup> Ordinary Annual General Meeting

Thursday, 30 March 2023  
Cigarettenfabrik Eventhalle 268  
Sihlquai 268, 8005 Zurich

## Reporting

Presentation of Annual report	28 February 2023
Presentation of Half-year report 2023	22 August 2023

## Investment products

Registered share  
1.125% bond 2015–2023  
0.3% Green Bond 2021–2026

## Security number

27'377'479  
27'577'643  
111'139'299

## Ticker

ISN  
ISH15  
ISH21

## Tax value

CHF 612.00  
101.48  
100.10

## Investor Relations

Cyrell Schneuwly  
Thomas Kaul

This Summary is a translation of the Summary of the Half-year report 2022 in German. Only the Half-year report 2022 in German which is available on [www.intershop.ch](http://www.intershop.ch) is legally binding.