

Audited Annual Report **Credit Suisse Real Estate Fund International**

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

December 31, 2017



Contents

Information in Brief	3
Management and Statutory Bodies	4
Information on Third Parties	5
Report on Activities	6
Development of Net Asset Value and Distribution	11
Statement of Assets	12
Statement of Income	13
Appendix	14
Mortgages	16
Loans / Transactions between Funds	18
Land Purchases and Sales / Transactions with Related Parties / Tenants Accounting for over 5% of Rental Income / Real Estate Companies in the Fund / Overview of Units of other Investment Funds	19
Capital Gains/Losses on Currencies	20
Further Information on Off-Balance-Sheet Business	23
Structural Breakdown by Actual Net Rental Income / Breakdown of Property/Real Estate	24
Geographical Distribution of the Fund's Properties / Regional Breakdown by Market Value	25
Schedule of Properties in Swiss Francs / General Information about the Properties / Financial Data on the Properties / Breakdown of Residential / Commercial Premises	26
Schedule of Properties (Local Currencies) / Financial Data on the Properties	30
Notes to the Audited Annual Report	32
Valuation Report	33
Report of the Audit Company	35

This report is an English translation of the original German version.
In case of discrepancies the original version takes precedence.

Information in Brief

Key Data		31/12/2017	31/12/2016 ²⁾	31/12/2015 ²⁾
Swiss security no. 1 968 511				
Fund units issued		228 897	–	176 074
Fund units redeemed		–	–	–
Number of units in circulation		2 517 867	2 288 970	2 288 970
Net asset value per unit (incl. distribution)	CHF	1 097.42	1 053.89	1 042.96
Issue price per unit	CHF	1 115.00	1 070.00	1 115.00
Redemption price per unit	CHF	1 040.00	1 000.00	970.00
Closing price (bid price)	CHF	1 255.00	1 180.00	1 120.00
Highest price (in review period)	CHF	1 270.00	1 235.00	1 250.00
Lowest price (in review period)	CHF	1 180.00	1 120.00	1 060.00
Market capitalization (MV)	CHF	3 159.9 mio.	2 701.0 mio.	2 563.6 mio.
Premium		14.36%	11.97%	7.39%

Statement of Assets		31/12/2017	31/12/2016 ²⁾	31/12/2015 ²⁾
Market value of properties	CHF	3 312.9 mio.	2 837.0 mio.	2 479.6 mio.
Acquisition costs of properties	CHF	2 886.6 mio.	2 547.8 mio.	2 282.0 mio.
Total assets	CHF	3 556.5 mio.	3 057.7 mio.	2 896.9 mio.
Third-party borrowings: ¹⁾				
– in % of investment costs		18.10%	15.38%	13.87%
– in % of aggregate market value		15.77%	13.81%	12.76%
Debt as a percentage of total assets		22.31%	20.98%	17.48%
Interest on borrowed funds		2.46%	2.62%	3.11%
Remaining term to maturity of borrowed funds	Years	2.26	2.97	3.77
Net asset value attributable to the unitholders of the Fund	CHF	2 763.2 mio.	2 412.3 mio.	2 387.3 mio.

Return and Performance Data		31/12/2017	31/12/2016 ²⁾	31/12/2015 ²⁾
Distribution	CHF	42.00	42.00	41.00
Distribution yield		3.35%	3.56%	3.66%
Distribution ratio		99.92%	95.38%	99.42%
Return on equity (ROE) attributable to the unitholders of the Fund		8.15%	4.80%	4.38%
Return on invested capital (ROIC)		6.94%	4.32%	4.17%
Return on investment		8.41%	5.14%	4.95%
Performance		11.52%	9.02%	8.05%
EBIT margin		71.75%	72.73%	72.89%
Total expense ratio Gross Asset Value (TER _{REF} GAV)		0.90%	0.85%	0.86%
Total expense ratio Market Value (TER _{REF} MV)		0.97%	0.92%	0.90%
Price/earnings ratio (P/E Ratio)		14.42	23.58	24.63
Price/cash flow ratio		52.86	38.87	13.87

Statement of Income		31/12/2017	31/12/2016 ²⁾	31/12/2015 ²⁾
Net income total	CHF	105.8 mio.	96.5 mio.	94.0 mio.
Realized capital gains/losses	CHF	–52.7 mio.	–38.9 mio.	77.4 mio.
Rental income	CHF	169.6 mio.	163.0 mio.	144.6 mio.
Rental losses		6.58%	4.50%	4.50%
Maintenance expense	CHF	12.4 mio.	11.3 mio.	10.0 mio.

¹⁾ Maximum permissible charge: one third of the market value (Art. 65 para. 2 CISA / Art. 96 para. 1 CISO)

²⁾ Key financial figures have been adjusted in line with the new SFAMA specialist information sheet for real estate funds (status September 13, 2016).

Management and Statutory Bodies

Management and Statutory Bodies

Management Company

Credit Suisse Funds AG, Zurich

Board of Directors

- Dr. Thomas Schmuckli, Chairman
- Luca Diener, Vice-Chairman
- Ruth Bültmann, Member
- Gebhard Giselsbrecht (from April 5, 2017), Member, Managing Director, Credit Suisse Asset Management (Switzerland) Ltd., Zurich
- Petra Reinhard Keller, Member, Managing Director, Credit Suisse (Switzerland) Ltd., Zurich
- Jürg Roth, Member, Managing Director, Credit Suisse (Switzerland) Ltd., Zurich
- Christian Schärer, Member, Managing Director, Credit Suisse (Switzerland) Ltd., Zurich
- Dr. Christoph Zaborowski, Member
- Adam Milenkovic (until March 31, 2017), Member, Managing Director, Credit Suisse Asset Management (Switzerland) Ltd., Zurich

Executive Board

- Thomas Schärer, Chief Executive Officer
- Patrick Tschumper, Deputy CEO and Head Fund Solutions
- Gilbert Eyb (from June 1, 2017), Member, Legal
- Thomas Federer, Member, Performance & Risk Management
- Tim Gutzmer, Member, Fund Services
- Hans Christoph Nickl, Member, COO
- Thomas Vonaesch, Member, Real Estate Fund Management
- Gabriele Wyss, Member, Compliance
- Michael Bünzli (until January 31, 2017), Member, Legal

Custodian Bank

Credit Suisse (Switzerland) Ltd., Zurich

Audit Company

KPMG AG, Zurich

Information on Third Parties

Information on Third Parties

Accredited valuation experts

- Andreas Ammann, architect (ETH/SIA degree), Wüest Partner AG, Zurich
- Marco Feusi, architect (HTL degree), Wüest Partner AG, Zurich
- Gino Fiorentin, architect (HTL degree), Wüest Partner AG, Zurich
- Pascal Marazzi-de Lima, architect (ETH degree), Wüest Partner AG, Zurich

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:

- 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 estate 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.
- 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, KIID 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	CBRE (C) Pty Ltd., Jones Lang LaSalle (QLD) Pty Ltd., Jones Lang LaSalle (SA) Pty Ltd., Jones Lang LaSalle (VIC) Pty Ltd., Knight Frank Australia Pty Ltd., Multiplex Property Services Pty Ltd.
Chile	CBRE Chile SA
Germany	BNP Paribas Real Estate Property Management 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.
Canada	Canderel Management Inc., Colliers Macaulay Nicolls Inc., Swissreal Real Estate Services Ltd.
New Zealand	CBRE Ltd.
Netherlands	Jones Lang LaSalle B.V.
USA	CBRE Inc., Cushman & Wakefield of California Inc., Cushman & Wakefield of Massachusetts Inc., Cushman & Wakefield U.S. Inc., LPC West LLC., Tishman Speyer Properties L.P.

For certain accounting, tax advice and administration tasks undertaken by group companies the following service providers are involved:

Alter Domus, CBRE Inc., CBRE Chile S.A., Citco, Colliers, Cushman & Wakefield of Pennsylvania Inc., Cushman & Wakefield of Texas Inc., Ernst & Young, Garrigues, Gowlings, Morrison & Foerster, PricewaterhouseCoopers, Savills Asset Advisory Co., Ltd., Tishman Speyer Properties L.P., TMF Group und TMI Associates.

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

Report on Activities from January 1 to December 31, 2017

Investor base, special features

Credit Suisse Real Estate Fund International was launched in February 2005 as the first real estate fund under Swiss law to undertake direct investment in foreign real estate. The Fund grants qualified investors access to an internationally diversified portfolio of high-quality commercial properties. The custodian bank performs off-floor trading for the Fund.

Macroeconomic climate

In 2017, the global economy experienced a synchronous acceleration of activity in all regions of the world (Europe, Americas, and Asia-Pacific) for the first time since the financial crisis. The growth rate of global real GDP rose to 3.3% compared with the previous year's growth rate of 3.1%. The Asian countries excluding Japan remained the most dynamic region in 2017, with a growth rate of 6.1%, thanks in particular to China's continuing robust economic growth of 6.9%. Economic activity improved in Japan, where real GDP grew by 1.6%, driven by the sustained aggressive quantitative easing policy of the Bank of Japan and the boom in the tourist sector. By contrast, the economies of Australia and New Zealand grew below their medium-term potential at rates of 2.2% and 2.5% respectively. The situation there differs between cities.

The biggest signs of progress in economic development in 2017 were to be found in Europe, however, particularly in the eurozone, where the momentum of real economic development accelerated to 2.5%. The economic recovery was driven by a variety of factors, including stronger household consumer spending, higher capital expenditure by companies and growth in net exports. The already robust German economy saw its growth increase to 2.5%, but the former problem countries France and Italy also gained momentum, with growth rates of 1.9% and 1.5% respectively. However, the Irish economy remained Europe's trend leader, with a growth rate of 4.8%.

In the UK, real economic growth came to 1.8%, showing little change compared to the previous year. The situation in the wake of the Brexit vote is still more robust than many had expected. Unemployment has continued to fall since the Brexit decision. However, inflation has increased significantly owing to the fall in the value of sterling and stood at 2.8%. In response, the Bank of England has started to normalize interest rates, raising its base rate to 0.5%.

The European Central Bank (ECB) has maintained its expansionary monetary policy. However, the core rate of inflation is still persisting in the region of 1.0%. This means that it is still a long way off from the inflation target and is unlikely to induce the ECB to start tightening monetary policy.

The big North American economies – Canada and the United States – also had a good year in 2017, with economic growth accelerating to 2.3% in the US and 3.2% in Canada. The further recovery of the labor market prompted the US Federal Reserve to press ahead with the normalization of interest rates, and during the course of the year it raised its key rates by 75 basis points to 1.5%. The Bank of Canada also raised its key rate from 0.5% to 1.25% between May 2017 and the end of 2017. By contrast, 2017 saw the Chilean economy expand by 1.6% in real terms, as in the previous year. However, the second half of 2017 saw a marked improvement in economic output in the mining sector, which benefited from the recovery in copper prices.

Commercial property and investor market

The current economic momentum led to a positive trend in the rental and transaction markets. In 2017, the investment volume of the real estate markets came to around USD 873 billion worldwide, which was virtually on a par with the previous year (source: Real Capital Analytics). Transaction volumes fell in the US, but rose in Germany, the Netherlands and the UK.

Real estate capital values continued their positive trend. Net returns on commercial real estate continued to fall in many markets. The eurozone, Australia and Japan, in particular, saw further significant declines, while net returns in North America have probably stabilized at their cyclical low point. The risk premiums for real estate investments remain above their historic averages in many markets. These yield differentials in favor of real estate are continuing to generate robust investor demand.

Core real estate continued to enjoy high demand. These properties are characterized by good locations, new or renovated buildings, and long-term rental contracts with tenants who have high credit ratings. The economic trend in Europe and the USA has led to a further increase in appetite for less central locations or "value added" properties.

However, the rental market is becoming an increasingly important factor in the performance of real estate. Meanwhile, the economic recovery has created much positive impetus for the rental markets. Structural developments such as the trend toward coworking are also giving a further boost to the letting of empty premises. Net absorption therefore increased as construction and development activity remained muted. At the global level, office rents rose by around 2–3% year-on-year (source: JLL). Many office markets, such as Munich, Amsterdam, Sydney and Tokyo, saw falling vacancy rates.

Outlook

Macroeconomic climate

The economic backdrop remains positive worldwide. Leading economic indicators point to a strong first half of 2018, with momentum leveling off slightly in the second half of the year. Overall, we expect the global economy to grow by 3.5% in 2018.

In the eurozone, real economic growth should accelerate slightly to 2.6% in 2018. Economic output should be above average in Ireland, Spain, Germany and the Netherlands and the outlook for France and Italy is also positive, with economic growth expected to be close to 2.0%. We also expect the ECB to refrain from raising interest rates in 2018. However, during the course of the year it is likely to announce an end to its bond-buying program during the year, as the economic conditions have improved.

At 1.8%, economic growth in the UK should be below average in comparison with its European neighbors. This is subject to major forecasting uncertainties owing to the persisting lack of clarity over the implementation of Britain's exit from the EU. As the UK's inflation rate remains stubbornly high, the Bank of England can be expected to decide on two further 25 basis point interest rate hikes in 2018.

Thanks to the positive impact of tax cuts, 2018 should also see the US post strong economic growth of 2.9%. The Fed is likely to proceed with the normalization of interest rates, raising rates by a cumulative full percentage point in 2018. In Canada, we expect 2.2% economic growth in 2018, while key interest rates will increase by 75 basis points to 2.0%. In Chile, we expect significantly higher real economic growth of 3.0% as the upswing in the commodity sector looks set to continue. This should make 2018 the best year since 2013.

The economists at Credit Suisse are predicting 5.9% growth in Asia excluding Japan in 2018, driven mainly by the sustained momentum of the Chinese economy. In Australia and New Zealand, growth is expected to come in at 2.5% and 2.7% respectively. By contrast, the Japanese economy is likely to slow down slightly in 2018, with forecast economic growth of 1.3%. In all the Fund's Asia-Pacific investment countries, we expect stable key interest rates in 2018.

Commercial property and investor market

The expected economic momentum in 2018 is set to be accompanied by solid growth in employment and robust demand for space. In many locations in Europe and Asia-Pacific, the supply of new space coming onto the market in 2018 is at historic low levels. Trends in the US are mixed, with differences between the various cities. Overall, we expect vacancy rates globally to remain more or less stable in most markets in 2018. Rents for centrally located space are likely to increase on average in all three regions, although the rise can be expected to remain modest, with most major conurbations posting growth rates of between 2.0% and 3.0%.

Investor interest in property investments remains high. However, we believe that net returns are close to historic lows and therefore see rental price growth as the driver for further gains. We therefore expect 2018 to be another solid year for globally diversified real estate investments.

The greatest risks to real estate valuations are the already advanced price cycle in certain markets, together with lower capitalization and discount rates. A stronger rise in interest rates would probably lead to rising capitalization rates in real estate markets too. An unexpected weakening of global economic activity represents a further risk, but is not on the horizon at the moment.

Real estate portfolio

Organization, structure and diversification

In 2017, the real estate portfolio was expanded by six investments in Australia, Japan and the UK. In addition, two important disposals were completed in the United States and the Netherlands.

In January 2017, given the favorable state of the market, the fund acquired 25 Grenfell Street, an office property of outstanding architectural merit in one of the best locations in the central business district of Adelaide (Australia). Both the property's micro-location and its accessibility by public and private transport are excellent. With the acquisition of 1333 North Kingsbury Street, the Fund succeeded in investing in a strongly

growing urban area of Chicago (USA). This is the Fund's second investment in the third largest US city. The sale of 114 Sansome Street in San Francisco (USA) brought the Fund a large gain. While the Fund held the property, it was able both to increase the rental income and to benefit from the strong performance of the real estate market. The proceeds of the sale were immediately invested in two properties on the west coast of the United States. The purchases of 1320 SW Broadway, Portland (USA) and 207 Goode Avenue in Glendale (USA) not only further enhanced the strategic diversification of the portfolio in the United States, but also added top quality, long-term tenants. With the purchase of "Edge Honmachi" in September 2017, the Fund acquired another top-quality property at a prime location in the commercial center of Osaka (Japan). In October 2017, Credit Suisse Real Estate Fund International acquired a new-build project at 2 Central Square in Cardiff (UK). This is an office property in an absolutely prime location for which top-quality, long-term tenants have already been found ahead of completion in the third quarter of 2018.

The Fund also completed the strategically important disposal of the office property Gatwickstraat 9-39 in Amsterdam (Netherlands).

At the end of 2017, the regional breakdown of the properties was as follows: North/Central and South America: 41.90% (43.90%), Europe: 27.20% (27.25%) and Asia-Pacific: 30.90% (28.85%). Office space accounted for 82.05% (81.45%) of net rental income, while retail property accounted for 8.95% (9.20%). The remaining 9.00% (9.35%) consisted mainly of parking facilities, warehouses, restaurants & cinemas, residential and other commercial properties. In selecting investments, care is taken to ensure that tenants have good credit ratings and that sector diversification is balanced.

Valuation of properties

2017 saw the portfolio's value appreciate. Disregarding currency effects and real estate transactions undertaken in 2017, the value of the portfolio was on average 3.73% higher than in the previous year. The cash flows from the properties also developed very positively. Taking account of the properties acquired in 2017, rental income increased by 4.07% to CHF 169.63 million (163.00 million). The distribution remains stable at CHF 42.00 (42.00) per fund unit, resulting in a dividend yield of 3.35% (3.56%).

Notes to the annual financial statements

The financial year of Credit Suisse Real Estate Fund International runs from January 1 to December 31.

Minority interests

Between August 2011 and May 2017, there was a minority interest in a foreign real estate company. The minority shareholder held a 20% stake. The national company in question is now wholly owned by Credit Suisse Real Estate Fund International.

Subsidiaries are consolidated if the Fund controls more than 50% of voting rights. Minority interests in the net asset value, the net income, the realized result and the overall result are reported separately.

The investor-related key figures are calculated on the basis of the assets and result attributable to unitholders.

Foreign exchange influences

Weighted according to the portfolio allocation, the exchange rates applied to the statement of assets as of December 31, 2017, are 2.21% higher than on December 31, 2016, while the average exchange rates applied to the income statement as of December 31, 2017 are 0.28% higher than on December 31, 2016, again weighted according to the portfolio allocation.

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 37.62 million (loss of 34.31 million). The exchange rate fluctuations in the income statement are not hedged.

Statement of assets

The successful issue in June 2017 resulted in a total inflow of new money into the Fund of CHF 231.48 million (net), which is reflected in the 2017 statement of assets. Thanks to the capital increase, the real estate portfolio was expanded further. In the 2017 reporting year, Credit Suisse Real Estate Fund International purchased six properties in the United States, Australia, Japan and the UK, and sold two properties in the United States and the Netherlands. Two projects were under construction at the closing date of the financial statements.

On behalf of the fund management company and in compliance with the Collective Investment Schemes Act (CISA), the properties were individually valued by independent, FINMA-accredited valuation experts as at December 31, 2017. This also involved recourse to external consultants abroad. These estimates were made on the basis of the International Valuation Standards. The portfolio properties are all valued using the DCF method. The resulting total market value comes to CHF 3 312.89 million (2 837.03 million). The weighted discounted rate is 4.74% (5.08%) of net income after deduction of long-term renovations.

The liquid assets of CHF 188.00 million (166.93 million) were invested in bank balances and short-term fiduciary investments. The business assets were invested in the following currencies: Swiss francs, euro, sterling, yen, US dollar, Australian dollar, New Zealand dollar, Canadian dollar, and Chilean peso. To minimize currency fluctuation risks, the foreign currency exposure was mostly hedged by means of foreign exchange forward transactions. At the end of the year, the result is a net liability of CHF 7.00 million (claim of 11.73 million) from unrealized capital gains on outstanding forward foreign exchange transactions.

Borrowed funds total CHF 522.48 million (391.93 million) or 15.77% (13.81%) of the market value of the properties. The debt financing operations in question were mainly contracted for the property purchases in Japan and Chile for tax reasons and in order to achieve a positive leverage effect. Furthermore, a portfolio in Germany and the property in Brisbane (Australia) were mortgaged. The estimated liquidation taxes amount to CHF 172.39 million (175.64 million).

The net asset value attributable to fund unitholders after deduction of the estimated liquidation taxes stands at CHF 2 763 168 594 (2 412 323 407). The return on investment per unit amounts to 8.41% (5.14%) on a net asset value per unit of CHF 1 097.42 (1 011.89 ex coupon).

Statement of income

Total income amounts to CHF 175.52 million (163.96 million), an increase of 7.05% compared with the previous year. Rental income rose by 4.07% to CHF 169.63 million (163.00 million). Income from deposits on postal and bank accounts less negative interest amounts to CHF 0.58 million (0.43 million). Income from mortgages and other loans secured by mortgage amounts to CHF 0.15 million (0.45 million). The position "Other income" shows income of CHF 0.57 million (0.08 million). The Fund generated CHF 4.60 million by buying into current net income on the issue of units in June 2017.

The percentage of rental income lost due to vacancies and collection losses stands at 6.58% (4.50%) of target rental income. The increase is primarily attributable to two newly acquired properties. The properties 25 Grenfell Street in Adelaide (Australia) and 207 Goode Avenue in Glendale (USA) were purchased in a vacant state. The vacancies are currently being reduced by means of active asset management with the aim of taking full advantage of the future rental potential.

Total expenses amount to CHF 69.69 million (67.47 million). This includes ground rent amounting to CHF 0.96 million (1.10 million). Borrowing costs total CHF 11.94 million (10.91 million). The average weighted interest rate comes in at 2.46% (2.62%), with an average remaining term to maturity of 2.26 years (2.97 years). Maintenance and repairs accounted for CHF 12.38 million (11.25 million), which amounts to around 7.30% (6.90%) of rental income. Writedowns on properties (tenant fit-outs) amount to CHF 7.07 million (8.26 million). In 2017, no allocation was made to provisions for future extraordinary investments such as conversions of vacant floorspace (CHF 4.30 million). Taxes on earnings and capital amount to CHF 8.54 million (6.85 million). Appraisal and auditing expenses come to CHF 1.77 million (1.55 million).

The Fund was charged CHF 18.35 million (17.38 million) for management activities. The management commission of 0.60% is levied on the total fund assets at the beginning of each financial year. The remuneration paid to the property management companies in accordance with the Fund regulations stands at CHF 3.07 million (1.15 million). Other expenses amount to CHF 4.84 million (3.95 million) and consist primarily of property-related operating costs and tax, legal, bookkeeping and other consultancy costs. The Fund's operating expense ratio GAV (TER_{REF} GAV), which is an important indicator of the burden of operating expenses, stands at 0.90% (0.85%). This key ratio enables investors to draw a direct comparison with other real estate funds.

The Fund's net income attributable to fund unitholders amounts to CHF 105.83 million (96.49 million) or CHF 42.03 (42.15) per unit. The operating profit margin (EBIT margin) comes to 71.75% (72.73%). The Fund's foreign currency exposure is mostly hedged. Depending on the performance of the currencies and interest rate spreads, hedging results in realized and unrealized capital gains or losses on forex forward transactions. The capital losses realized on the currency hedging amount to CHF 56.86 million (loss of 50.54 million). The unrealized capital gains arising from changes in exchange rates amount to CHF 19.24 million (gain of 16.23 million). This also includes unrealized currency conversion differences arising from the consolidation of the financial statements of the individual property-holding companies in foreign currency. The net result is a currency loss of CHF 37.62 million (loss of 34.31 million). In 2017, the realized capital gain on investments amounted to CHF 4.17 million (11.59 million). Most of the gain results from the sale of the property in San Francisco. Unrealized capital gains on investments amount to CHF 139.87 million (83.65 million). Including the cost of currency hedging, the balance of realized and unrealized capital changes on investments, and the reduction in the provision for liquidation taxes of CHF 3.25 million (increase of 42.24 million), aggregate net income attributable to unitholders of the Fund comes to CHF 215.50 million (114.56 million) or CHF 85.59 (50.05) per unit.

Distribution, yield

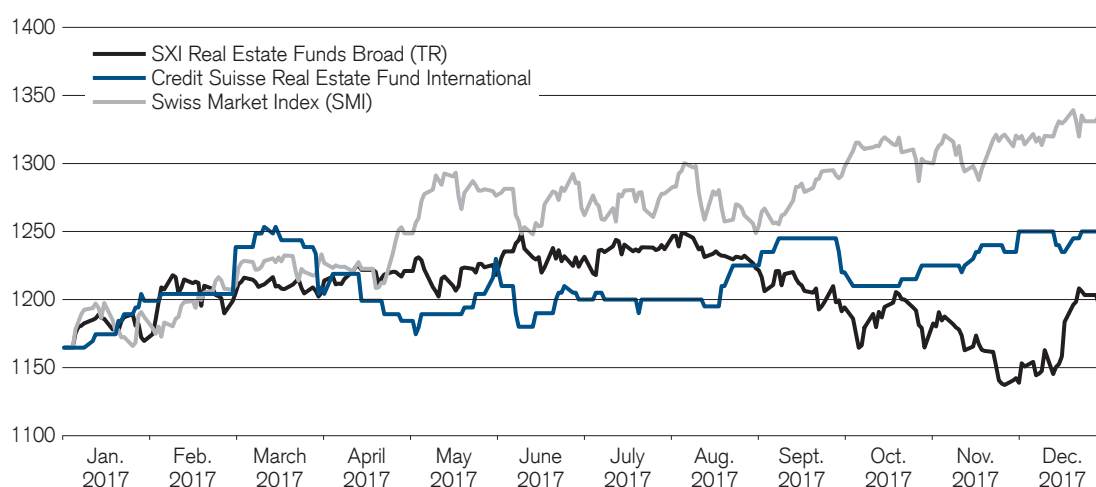
For the 2017 financial year, CHF 105.75 million (96.14 million) or CHF 42.00 (42.00) per unit will be paid out. The no. 13 coupons are payable free of expenses at Credit Suisse (Switzerland) Ltd., Zurich and its branches in Switzerland from March 29, 2018 onward (ex date March 27, 2018). Investors can claim back the withholding tax deducted.

In the 2017 financial year, the net asset value per unit rose from CHF 1 011.89 (ex coupon) to CHF 1 097.42. The investment return therefore comes to 8.41% (5.14%)

Financial year	2017	2016
Coupon no.	13	12
Gross	CHF 42.00	CHF 42.00
Less 35% Swiss federal withholding tax	CHF 14.70	CHF 14.70
Total distribution	CHF 27.30	CHF 27.30

Issuing of units

In June 2017, Credit Suisse Real Estate Fund International performed a capital increase with subscription rights for existing investors at a ratio of 10:1. Ten existing units entitled the holder to subscribe one new unit at the issue price of CHF 1 045.00 net per unit. The new funds amounting to a total of CHF 239.20 million (gross) were used to expand the diversified portfolio further.

**Unit price
performance
in CHF
(1/1/–31/12/2017)**


The units of Credit Suisse Real Estate Fund International are traded over-the-counter. Trading is provided by Credit Suisse (Switzerland) Ltd. The closing price (bid price) stood at CHF 1 255.00 at the end of the financial year, corresponding to an increase of CHF 75.00 or 6.36%.

Performance comes to 11.52% (9.02%), i.e. 4.92 percentage points above the benchmark. The benchmark used is the SXI Real Estate Funds Broad (TR), which exhibited a performance of 6.60% over the same period (January 1 to December 31, 2017). At the end of the reporting period, the premium resulting from the difference between the closing price and the net asset value stood at 14.36% (11.97%).

Redemptions

As of December 31, 2017 no units had been submitted for redemption.

Units in circulation

Status as at January 1, 2017	2 288 970 units
Redemptions	0 units
Issues (June 2017)	228 897 units
Status as at December 31, 2017	2 517 867 units

Development of Net Asset Value and Distribution

Development of Net Asset Value and Distribution

Year as at 31/12/	Units in circulation	Asset value per unit ex-coupon	Distribution from ord. income CHF	Capital gains CHF	Total distribution CHF	Net assets at market values in mio. CHF
2008	1 820 000	1 002.49	35.00	0.00	35.00	1 888.22
2009	1 811 054	956.55	35.00	0.00	35.00	1 795.75
2010	1 811 054	966.74	37.00	0.00	37.00	1 817.83
2011	2 112 896	974.88	37.00	0.00	37.00	2 138.01
2012	2 112 896	972.21	39.00	0.00	39.00	2 136.58
2013	2 112 896	976.22	40.00	0.00	40.00	2 147.17
2014	2 112 896	993.42	41.00	0.00	41.00	2 185.62
2015	2 288 970	1 001.96	41.00	0.00	41.00	2 387.31
2016	2 288 970	1 011.89	42.00	0.00	42.00	2 412.32
2017	2 517 867	1 055.42	42.00	0.00	42.00	2 763.17

Statement of Assets as at December 31, 2017

	31/12/2017	31/12/2016
	Market value CHF	Market value CHF
Assets		
Cash holdings, balances on postal and bank accounts at sight including fiduciary investments with third-party banks	170 921 415	150 966 720
Cash at time, including fiduciary investments with third-party banks	17 073 622	15 965 841
Sites		
– Commercial properties	3 054 626 476	2 706 691 489
– Development land (incl. properties for demolition) and schemes under construction	258 266 291	130 333 655
Total sites	3 312 892 767	2 837 025 144
Mortgages and other mortgage-backed liabilities	0	0
Derivative financial instruments	–6 996 472	11 727 238
Other assets	62 638 970	41 984 836
Total assets	3 556 530 302	3 057 669 779
Liabilities		
Short-term liabilities		
– Short-term interest-bearing mortgages and other mortgage-backed liabilities	157 542 348	23 858 133
– Short-term interest-bearing loans	0	0
– Other short-term liabilities	98 492 273	73 906 911
Total short-term liabilities	256 034 621	97 765 044
Long-term liabilities		
– Long-term interest-bearing mortgages and other mortgage-backed liabilities	364 933 358	368 076 396
Total long-term liabilities	364 933 358	368 076 396
Total liabilities	620 967 979	465 841 440
Net assets before estimated liquidation taxes	2 935 562 323	2 591 828 339
Estimated liquidation taxes	172 393 729	175 642 499
Net assets	2 763 168 594	2 416 185 840
– of which attributable to minority interests	0	3 862 433
– of which attributable to the unitholders of the Fund	2 763 168 594	2 412 323 407
Number of units in circulation	2 517 867	2 288 970
Net asset value per unit	1 097.42	1 053.89
Less distribution for financial year 2017 (coupon no. 13)	42.00	42.00
Net asset value per unit after distribution	1 055.42	1 011.89
Change in the net asset value of the unitholders of the Fund		
Net assets at beginning of financial year	2 412 323 407	2 387 309 770
Distribution	–96 136 740	–93 847 770
Balance from sales and purchases of units, excl. equalization on the issue of units and payouts of current income on the redemption of units	231 481 247	0
Total income	215 500 680	114 561 407
Balance of deposit/withdrawal of reserves for repairs	0	4 300 000
Net assets at end of financial year	2 763 168 594	2 412 323 407

Details from previous years		
	Net assets	Net asset value per unit
31/12/2017	2 763 168 594	1 097.42
31/12/2016	2 412 323 407	1 053.89
31/12/2015	2 387 309 770	1 042.96

Conversion rate	as at 31/12/2017	as at 31/12/2016
CAD/CHF	0.777791	0.757886
EUR/CHF	1.170248	1.072126
GBP/CHF	1.318294	1.255853
100 JPY/CHF	0.865010	0.871276
AUD/CHF	0.762213	0.735939
USD/CHF	0.974500	1.016350
NZD/CHF	0.693064	0.708605
100 CLP/CHF	0.158460	0.151743
100 CLP/USD	0.162606	0.149302
UF/CHF	42.464333	39.981215

Statement of Income 2017 (ending December 31, 2017)

	1/1/2017 to 31/12/2017	1/1/2017 to 31/12/2017	1/1/2016 to 31/12/2016	1/1/2016 to 31/12/2016
	CHF	CHF	CHF	CHF
Income				
Income from postal and bank accounts		629 837		431 358
Negative interest		-54 464		0
Rental income (gross income generated)		169 629 463		162 999 240
Income from mortgages and other mortgage-backed liabilities		147 706		453 584
Other income		571 328		75 706
Current income paid in by new subscribers		4 598 541		0
Total income		175 522 411		163 959 888
Expenses				
Mortgage interest and interest on mortgage-backed liabilities	10 989 575		10 880 482	
Other interest due	953 596		28 627	
Ground rent	963 363		1 101 626	
Repairs and maintenance	12 381 295		11 254 956	
Taxes and charges				
– Taxes on capital and profits	8 536 073		6 847 095	
Valuation and auditing expenses	1 772 362		1 549 312	
Writedowns on properties (tenant fit-outs)	7 072 547		8 264 192	
Provision for future repairs				
– Allocation	0		4 300 000	
– Withdrawal	0		0	
Remuneration (as per fund regulations) for				
– the fund management company	18 346 019		17 381 147	
– the custodian bank	723 697		716 193	
– the property management companies	3 070 573		1 154 735	
Costs for annual report	34 887		31 354	
Fees payable to supervisory bodies	1 500		6 000	
Other expenses	4 842 999		3 954 773	
Net current income paid out on redemption of units	0		0	
Total expenses	69 688 486	69 688 486	67 470 492	67 470 492
Net income		105 833 925		96 489 396
– of which attributable to minority interests		-116		-1 982
– of which attributable to the unitholders of the Fund		105 834 041		96 491 378
Realized capital gains and losses from investments		4 169 296		11 589 145
Realized capital gains and losses from currency		-56 858 137		-50 539 086
Realized income		53 145 084		57 539 455
– of which attributable to minority interests		-116		-1 982
– of which attributable to the unitholders of the Fund		53 145 200		57 541 437
Unrealized capital gains and losses from investments		139 869 724		83 652 119
Unrealized capital gains and losses from currency		19 236 986		16 225 341
Change in liquidation taxes		3 248 770		-42 236 134
Total income		215 500 564		115 180 781
– of which attributable to minority interests		-116		619 374
– of which attributable to the unitholders of the Fund		215 500 680		114 561 407
Appropriation of the net income of the unitholders of the Fund				
Net income of financial year		105 834 041		96 491 378
Carried forward from preceding year		10 484 469		10 129 831
Net income available for distribution		116 318 510		106 621 209
Net income earmarked for distribution to investors		-105 750 414		-96 136 740
Carried forward to following year		10 568 096		10 484 469

Average conversion rates	for 1/1–31/12/2017	for 1/1–31/12/2016
CAD/CHF	0.755856	0.747510
EUR/CHF	1.115960	1.089983
GBP/CHF	1.274974	1.329596
100 JPY/CHF	0.876305	0.907045
AUD/CHF	0.753786	0.734761
USD/CHF	0.979696	0.989463
NZD/CHF	0.698302	0.689692
100 CLP/CHF	0.151232	0.146953
100 CLP/USD	0.154366	0.148518
UF/CHF	40.210223	38.280110

Appendix as per December 31, 2017

		31/12/2017	31/12/2016
Value of depreciation account	CHF	0.0 mio.	0.0 mio.
Value of reserves account for future repairs	CHF	48.3 mio.	48.3 mio.
Balance on account of earnings retained for reinvestment	CHF	0.0 mio.	0.0 mio.
Total insurance value of assets	CHF	2 522.7 mio.	2 040.7 mio.
Number of units due be redeemed at end of next financial year		none	none

Key Financial Figures

	31/12/2017	31/12/2016 ¹⁾
Rental losses	6.58%	4.50%
Third-party borrowings in % of aggregate	15.77%	13.81%
Distribution yield	3.35%	3.56%
Distribution ratio	99.92%	95.38%
EBIT margin	71.75%	72.73%
Total expense ratio Gross Asset Value (TER _{REF} GAV)	0.90%	0.85%
Total expense ratio Market Value (TER _{REF} MV)	0.97%	0.92%
Return on equity (ROE)	8.15%	4.80%
Return on invested capital (ROIC)	6.94%	4.32%
Premium	14.36%	11.97%
Performance	11.52%	9.02%
Return on investment	8.41%	5.14%

¹⁾ Key financial figures have been adjusted in line with the new SFAMA specialist information sheet for real estate funds (status September 13, 2016).

Information on derivatives

For detailed information on forward foreign exchange transactions, please see pages 20–23.

Valuation principles / basis for calculation of the 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 SFAMA guidelines for real estate funds, the Fund's properties are regularly valued by independent 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 commentary on the market values may be found in the valuation report of the real estate appraiser as per the corresponding year-end.

Information on actual compensation rates where maximum rates are indicated in the Fund Regulations

	2017		2016	
	Actual	Maximum	Actual	Maximum
a) Payments to the Management Company				
– 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, on the basis of the purchase or sale price (unless a third party was entrusted with this task)	2.00%	3.00%	1.60%	3.00%
– Compensation for the management of properties during the reporting period, on the basis of gross rental income (incl. ground rent income)	1.81%	5.00%	0.71%	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	1.50%	5.00%	0.00%	5.00%
– 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%	5.00%	0.00%	5.00%
b) Payments to the Custodian Bank				
– 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	0.03%	0.20%	0.03%	0.20%
– Fee in respect of distribution of annual income to investors	0.00%	0.50%	0.00%	0.50%

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

		31/12/2017	31/12/2016
Purchases of plots of land	CHF	179.2 mio.	98.2 mio.
Construction orders and investments in properties	CHF	21.3 mio.	54.3 mio.

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

		31/12/2017	31/12/2016
1 to 5 years	CHF	364.9 mio.	368.1 mio.
> 5 years	CHF	0.0 mio.	0.0 mio.

Investments

		31/12/2017	31/12/2016
Investments quoted 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 <i>For details, see unrealized capital gains and losses on currencies, page 22</i>	CHF	–7.0 mio.	11.7 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. <i>For details, see inventory of properties from page 26</i> <i>For details, see Transactions between Funds, page 18</i>	CHF	3 312.9 mio.	2 837.0 mio.
	CHF	0.0 mio.	0.0 mio.
Total investments	CHF	3 305.9 mio.	2 848.7 mio.

General observation:

You can obtain further information in the “Information in Brief” section.

Mortgages

Current Mortgages and Fixed Advances

Type of loan	from	Term to	Currency	Amount in foreign currency	Exchange rate as at 31/12/2017	Amount in CHF	Interest rate
Fixed advance	22/12/2017	09/01/2018	CHF	1 800 000	1.000000	1 800 000	1.500%
Fixed advance	20/12/2017	09/01/2018	CHF	56 000 000	1.000000	56 000 000	1.500%
Fixed-rate mortgage	31/01/2014	29/06/2018	EUR	84 450 000	1.170248	98 827 444	2.211%
Rollover mortgage ⁹⁾	29/09/2017	31/10/2018	JPY	105 768 000	0.865010	914 904	0.591%
Fixed-rate mortgage	17/10/2014	17/10/2019	AUD	118 950 000	0.762213	90 665 236	4.985%
Fixed-rate mortgage ¹⁾	27/04/2010	27/04/2020	CLP	7 882 933 232	0.158460	12 491 296	5.610%
Fixed-rate mortgage ²⁾	07/07/2015	07/07/2020	JPY	400 000 000	0.865010	3 460 040	0.794%
Fixed-rate mortgage ²⁾	07/07/2015	07/07/2020	JPY	2 666 250 000	0.865010	23 063 329	0.908%
Fixed-rate mortgage ³⁾	18/12/2015	18/12/2020	JPY	500 000 000	0.865010	4 325 050	0.656%
Fixed-rate mortgage ³⁾	18/12/2015	18/12/2020	JPY	3 224 000 000	0.865010	27 887 922	0.771%
Fixed-rate mortgage ⁴⁾	22/04/2016	22/04/2021	JPY	4 800 000 000	0.865010	41 520 480	0.600%
Fixed-rate mortgage ⁵⁾	22/04/2016	22/04/2021	JPY	2 640 000 000	0.865010	22 836 264	0.750%
Fixed-rate mortgage ⁶⁾	15/05/2014	15/05/2021	CLP	32 740 022 088	0.158460	51 879 839	3.760%
Fixed-rate mortgage ⁷⁾	31/01/2017	31/01/2022	JPY	2 128 765 000	0.865010	18 414 030	0.429%
Fixed-rate mortgage ⁸⁾	28/06/2017	28/06/2022	USD	46 000 000	0.974500	44 827 000	3.340%
Fixed-rate mortgage ⁹⁾	29/09/2017	29/09/2022	JPY	2 724 000 000	0.865010	23 562 872	0.585%
Total current mortgages and fixed advances						522 475 706	

¹⁾ The mortgage for the property Magdalena in Santiago de Chile was concluded in the accounting currency Unidad de Fomento (UF) and originally amounted to UF 425 000. By the balance sheet date, UF 130 840 had been repaid, of which UF 24 467 during the current financial year. The net debt was converted into CLP at the exchange rate applicable on the reference date.

²⁾ The mortgages were concluded on July 7, 2015 with the purchase of the property in Tokyo for a total of JPY 3 212 500 000. By the balance sheet date, JPY 146 250 000 had been repaid, of which 58 500 000 during the current financial year.

³⁾ The mortgages were concluded on December 18, 2015 with the purchase of the property in Nagoya for a total of JPY 3 800 000 000. By the balance sheet date, JPY 76 000 000 had been repaid, of which JPY 38 000 000 during the current financial year.

⁴⁾ The mortgages were concluded on April 22, 2016 with the purchase of the property KM Building in Osaka for a total of JPY 5 000 000 000. By the balance sheet date, JPY 200 000 000 had been repaid, of which JPY 150 000 000 during the current financial year.

⁵⁾ The mortgages were concluded on April 22, 2016 with the purchase of the property YM Building in Osaka for a total of JPY 2 750 000 000. By the balance sheet date, JPY 110 000 000 had been repaid, of which JPY 82 500 000 during the current financial year.

⁶⁾ The mortgage for the property Apoquindo in Santiago de Chile was concluded in the accounting currency Unidad de Fomento (UF) and originally amounted to UF 1 299 710. By the balance sheet date, UF 77 983 had been repaid, of which UF 38 992 during the current financial year. The net debt was converted into CLP at the exchange rate applicable on the reference date.

⁷⁾ The mortgage on the property in Fukuoka was taken out on January 31, 2017 for a total of JPY 2 140 000 000. This was a refinancing operation (see footnote 12, page 17). By the balance sheet date, JPY 11 235 000 had been repaid, of which JPY 11 235 000 during the current financial year.

⁸⁾ The mortgages were concluded on June 28, 2017 with the purchase of the property in Portland for a total of USD 46 000 000.

⁹⁾ The mortgages were concluded on September 29, 2017 with the purchase of the property in Honmachi for a total of JPY 2 829 768 000. Quarterly repayments of JPY 10 215 000 will be made with effect from February 28, 2018.

Expired Mortgages and Fixed Advances

Type of loan	Term		Currency	Amount in foreign currency	Interest rate
	from	to			
Fixed advance	19/12/2017	20/12/2017	CHF	15 500 000	1.500%
Fixed advance	12/12/2017	20/12/2017	CHF	29 000 000	1.500%
Fixed advance	08/12/2017	12/12/2017	CHF	29 000 000	1.500%
Fixed advance	05/12/2017	08/12/2017	CHF	24 500 000	1.500%
Fixed advance	29/11/2017	05/12/2017	CHF	25 300 000	1.500%
Fixed advance	28/11/2017	29/11/2017	CHF	30 000 000	1.500%
Fixed advance	23/11/2017	28/11/2017	CHF	30 000 000	1.500%
Fixed advance	20/11/2017	23/11/2017	CHF	30 050 000	1.500%
Fixed advance	14/11/2017	20/11/2017	CHF	35 000 000	1.500%
Fixed advance	10/11/2017	14/11/2017	CHF	35 000 000	1.500%
Fixed advance	07/11/2017	10/11/2017	CHF	35 500 000	1.500%
Fixed advance	31/10/2017	07/11/2017	CHF	18 000 000	1.500%
Fixed advance	27/10/2017	31/10/2017	CHF	1 000 000	1.500%
Fixed advance	25/10/2017	31/10/2017	CHF	18 000 000	1.500%
Fixed advance	20/10/2017	25/10/2017	CHF	14 000 000	1.500%
Fixed advance	20/10/2017	25/10/2017	CHF	5 000 000	1.500%
Fixed advance	17/10/2017	20/10/2017	CHF	5 000 000	1.500%
Fixed advance	05/10/2017	06/10/2017	CHF	16 000 000	1.500%
Fixed advance	31/05/2017	20/06/2017	CHF	86 000 000	1.600%
Fixed advance	22/05/2017	31/05/2017	CHF	86 000 000	1.600%
Rollover mortgage ¹⁰⁾	22/04/2016	31/05/2017	JPY	422 400 000	0.657%
Rollover mortgage ¹¹⁾	22/04/2016	31/05/2017	JPY	219 648 000	0.807%
Fixed advance	05/05/2017	22/05/2017	CHF	29 000 000	1.600%
Fixed advance	26/04/2017	22/05/2017	CHF	86 000 000	1.600%
Fixed advance	28/04/2017	05/05/2017	CHF	29 000 000	1.600%
Fixed advance	20/04/2017	26/04/2017	CHF	81 000 000	1.600%
Fixed advance	20/04/2017	26/04/2017	CHF	5 000 000	1.600%
Fixed advance	13/04/2017	20/04/2017	CHF	91 000 000	1.600%
Fixed advance	05/04/2017	13/04/2017	CHF	6 000 000	1.600%
Fixed advance	31/03/2017	13/04/2017	CHF	85 000 000	1.600%
Fixed advance	17/03/2017	31/03/2017	CHF	16 000 000	1.600%
Fixed advance	03/03/2017	17/03/2017	CHF	16 000 000	1.600%
Fixed advance	03/01/2017	03/03/2017	CHF	57 000 000	1.600%
Fixed advance	27/01/2017	03/02/2017	CHF	5 300 000	1.600%
Fixed advance	20/01/2017	03/02/2017	CHF	4 500 000	1.600%
Rollover mortgage ¹²⁾	22/12/2011	31/01/2017	JPY	1 121 250 000	1.683%
Rollover mortgage ¹²⁾	22/12/2011	31/01/2017	JPY	975 000 000	1.683%

¹⁰⁾ The rollover mortgage was concluded on April 22, 2016 with the purchase of the property KM Building in Osaka.
The mortgage maturing on October 31, 2017 was repaid early on May 31, 2017.

¹¹⁾ The rollover mortgage was concluded on April 22, 2016 with the purchase of the property YM Building in Osaka.
The mortgage maturing on October 31, 2017 was repaid early on May 31, 2017.

¹²⁾ The mortgages were concluded on December 22, 2011 with the purchase of the property in Fukuoka for a total of JPY 2 150 000 000.
By the balance sheet date, JPY 53 750 000 had been repaid. The mortgages of JPY 2 096 250 000 were repaid on January 31, 2017.

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

Interest rates for rollover mortgages are adapted based on the 3-month LIBOR (London Interbank Offered Rate) or the 3-month TIBOR (Tokyo Interbank Offered Rate).

Loans

Current Loans

Type of loan	from	Term to	Currency	Amount in foreign currency	Exchange rate as at 31/12/2017	Amount in CHF	Interest rate
None							

Expired Loans

Type of loan	from	Term to	Currency	Amount in foreign currency	Interest rate
Credit	13/04/2017	28/06/2017	EUR	100 000 000	1.550%

Transactions between Funds

During the 2017 fiscal year, Credit Suisse Real Estate Fund International made the following investments (pursuant to Art. 86 prov. 3a CISO) in the real estate funds Credit Suisse Real Estate Fund Hospitality and Credit Suisse Real Estate Fund Interswiss:

Current Other Investments

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

Expired Other Investments

Type of loan	from	Term to	Amount in CHF	Interest rate
Credit	26/09/2017	06/10/2017	17 000 000	0.525%
Credit	20/09/2017	26/09/2017	42 000 000	0.525%
Credit	08/09/2017	20/09/2017	42 500 000	0.525%
Credit	08/09/2017	20/09/2017	20 500 000	0.400%
Credit	21/08/2017	08/09/2017	10 000 000	0.525%
Credit	21/08/2017	08/09/2017	53 000 000	0.400%
Credit	20/07/2017	21/08/2017	100 000 000	0.400%
Credit	20/07/2017	21/08/2017	10 000 000	0.400%
Credit	20/06/2017	20/07/2017	35 000 000	0.525%
Credit	16/06/2017	20/07/2017	40 000 000	0.525%
Credit	22/05/2017	20/06/2017	35 000 000	0.525%
Credit	20/04/2017	22/05/2017	35 000 000	0.525%
Credit	28/02/2017	03/03/2017	13 000 000	0.300%
Credit	24/02/2017	03/03/2017	19 500 000	0.525%
Credit	20/02/2017	24/02/2017	23 000 000	0.525%
Credit	10/02/2017	20/02/2017	23 000 000	0.525%
Credit	10/02/2017	15/02/2017	30 000 000	0.525%
Credit	03/02/2017	10/02/2017	54 500 000	0.525%

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 2017 fiscal year.

Land Purchases and Sales

Statement of Land Purchases and Sales in Financial Year 2017

Purchases	Country	Building class	Site area m ²
Adelaide , "G25", 25 Grenfell Street	Australia	Commercial property	1 956
Cardiff , 2 Central Square	Great Britain	Development land (incl. properties for demolition) and schemes under construction	2 300
Chicago , 1333 North Kingsbury Street	USA	Commercial property	5 342
Glendale , 207 Goode Avenue	USA	Commercial property	4 168
Osaka , "Edge Honmachi", 2-3-12 Minami-Honmachi 2-chrome, Chuo-ku, Osaka-shi	Japan	Commercial property	3 996
Portland , 1320 SW Broadway	USA	Commercial property	3 696
Sales	Country	Building class	Site area m ²
Amsterdam , "Spectrum", Gatwickstraat 9-39	Netherlands	Commercial property	4 265
San Francisco , "Adam Grant Building", 114 Sansome Street	USA	Commercial property	1 756

Transactions with Related Parties

The management company confirms that there has not been any transfer of real estate assets to related parties and that other transactions with related parties were concluded at the usual market conditions (section 18 of the Guidelines for Real Estate Funds of the Swiss Funds & Asset Management Association SFAMA dated April 2, 2008, status as at September 13, 2016).

Tenants Accounting for over 5% of Rental Income

Tenant	Property location	Percentage of rental income
Australian Tax Office	Sydney and Brisbane	8.57%

Real Estate Companies in the Fund

- Credit Suisse Real Estate Fund International Holding AG, Zug
- CS REFI Chile Fund Holding AG, Zug

The two holding companies in Zug and their national companies are wholly owned by Credit Suisse Real Estate Fund International. The only exception was a foreign real estate company in which a minority shareholder held 20% of the shares. At the end of May 2017, Credit Suisse Real Estate Fund International acquired the minority shareholder's 20% stake.

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 fiscal 2017.

Capital Gains/Losses on Currencies

Realized Capital Gains/Losses on Currencies

Realized capital gains/losses on concluded forward foreign exchange contracts (1/1/ to 31/12/2017)

Currency	Date trade	Date value	Number of contracts	Amount in foreign currency	Purchase price	Number of contracts	Liquidation proceeds	Currency profit/loss
CAD	15/12/2016	21/02/2017	1	CAD 420 880 000	CHF 323 520 776			
CAD	20/12/2016	21/02/2017	1	CAD 5 760 000	CHF 4 401 660			
CAD	19/01/2017	21/02/2017	1	CAD 3 980 000	CHF 3 011 996			
CAD	13/02/2017	21/02/2017	1	CAD 8 210 000	CHF 6 307 751			
CAD	15/02/2017	21/02/2017	Total	CAD 438 830 000	CHF 337 242 183	4	CHF 338 171 175	CHF -928 992
CAD	15/02/2017	17/03/2017	1	CAD 4 220 000	CHF 3 244 239			
CAD	14/03/2017	17/03/2017	Total	CAD 4 220 000	CHF 3 244 239	1	CHF 3 158 003	CHF 86 236
CAD	15/02/2017	20/04/2017	1	CAD 438 830 000	CHF 337 144 312			
CAD	22/02/2017	20/04/2017	1	CAD 24 610 000	CHF 18 858 889			
CAD	14/03/2017	20/04/2017	1	CAD 16 940 000	CHF 12 656 043			
CAD	16/03/2017	20/04/2017	1	CAD 4 570 000	CHF 3 411 711			
CAD	05/04/2017	20/04/2017	1	CAD 8 750 000	CHF 6 545 158			
CAD	18/04/2017	20/04/2017	Total	CAD 493 700 000	CHF 378 616 113	5	CHF 369 361 655	CHF 9 254 458
CAD	18/04/2017	20/06/2017	1	CAD 493 700 000	CHF 368 300 200			
CAD	25/04/2017	20/06/2017	1	CAD 3 040 000	CHF 2 220 085			
CAD	22/05/2017	20/06/2017	1	CAD 4 340 000	CHF 3 127 968			
CAD	15/06/2017	20/06/2017	Total	CAD 501 080 000	CHF 373 648 253	3	CHF 367 943 044	CHF 5 705 209
CAD	15/06/2017	21/08/2017	1	CAD 501 080 000	CHF 366 863 217			
CAD	23/06/2017	21/08/2017	1	CAD 7 580 000	CHF 5 519 961			
CAD	24/07/2017	21/08/2017	1	CAD 4 620 000	CHF 3 488 867			
CAD	16/08/2017	21/08/2017	Total	CAD 513 280 000	CHF 375 872 045	3	CHF 392 890 176	CHF -17 018 131
CAD	16/08/2017	20/10/2017	1	CAD 513 280 000	CHF 391 632 640			
CAD	23/08/2017	20/10/2017	1	CAD 3 120 000	CHF 2 396 110			
CAD	25/09/2017	20/10/2017	1	CAD 2 850 000	CHF 2 245 957			
CAD	17/10/2017	20/10/2017	Total	CAD 519 250 000	CHF 396 274 707	3	CHF 404 885 188	CHF -8 610 481
CAD	17/10/2017	20/12/2017	1	CAD 519 250 000	CHF 403 457 250			
CAD	29/11/2017	20/12/2017	1	CAD 2 484 000	CHF 1 906 885			
CAD	11/12/2017	20/12/2017	1	CAD 200 000	CHF 153 948			
CAD	15/12/2017	20/12/2017	Total	CAD 521 934 000	CHF 405 518 083	3	CHF 404 446 657	CHF 1 071 426
EUR	15/12/2016	21/02/2017	1	EUR 378 360 000	CHF 406 853 535			
EUR	12/01/2017	21/02/2017	1	EUR -1 000	CHF -1 073			
EUR	13/01/2017	21/02/2017	1	EUR 1 000	CHF 1 072			
EUR	13/01/2017	21/02/2017	1	EUR -1 500	CHF -1 610			
EUR	13/01/2017	21/02/2017	1	EUR 1 500	CHF 1 608			
EUR	13/02/2017	21/02/2017	1	EUR 10 000	CHF 10 666			
EUR	15/02/2017	21/02/2017	Total	EUR 378 370 000	CHF 406 864 198	6	CHF 402 752 163	CHF 4 112 035
EUR	15/02/2017	20/04/2017	1	EUR 378 370 000	CHF 402 449 467			
EUR	22/02/2017	20/04/2017	1	EUR 32 430 000	CHF 34 464 010			
EUR	14/03/2017	20/04/2017	1	EUR -5 020 000	CHF -5 383 001			
EUR	18/04/2017	20/04/2017	Total	EUR 405 780 000	CHF 431 530 476	3	CHF 433 693 606	CHF -2 163 130
EUR	18/04/2017	20/06/2017	1	EUR 405 780 000	CHF 433 373 040			
EUR	15/06/2017	20/06/2017	Total	EUR 405 780 000	CHF 433 373 040	1	CHF 441 366 906	CHF -7 993 866
EUR	15/06/2017	21/08/2017	1	EUR 405 780 000	CHF 441 054 455			
EUR	16/08/2017	21/08/2017	Total	EUR 405 780 000	CHF 441 054 455	1	CHF 463 400 760	CHF -22 346 305
EUR	16/08/2017	20/10/2017	1	EUR 405 780 000	CHF 463 096 425			
EUR	03/10/2017	20/10/2017	1	EUR 540 000	CHF 618 129			
EUR	17/10/2017	20/10/2017	Total	EUR 406 320 000	CHF 463 714 554	2	CHF 467 146 104	CHF -3 431 550
EUR	17/10/2017	20/12/2017	1	EUR 406 320 000	CHF 466 827 143			
EUR	15/12/2017	20/12/2017	Total	EUR 406 320 000	CHF 466 827 143	1	CHF 473 281 536	CHF -6 454 393
JPY	16/11/2016	20/01/2017	1	JPY 13 894 710 000	CHF 127 487 021			
JPY	01/12/2016	20/01/2017	1	JPY -408 670 000	CHF -3 621 993			
JPY	17/01/2017	20/01/2017	Total	JPY 13 486 040 000	CHF 123 865 028	2	CHF 119 675 119	CHF 4 189 909
JPY	17/01/2017	17/03/2017	1	JPY 13 486 040 000	CHF 119 530 414			
JPY	13/02/2017	17/03/2017	1	JPY 10 000	CHF 88			
JPY	22/02/2017	17/03/2017	1	JPY 2 043 300 000	CHF 18 290 191			
JPY	14/03/2017	17/03/2017	Total	JPY 15 529 350 000	CHF 137 820 693	3	CHF 136 502 987	CHF 1 317 706
JPY	14/03/2017	22/05/2017	1	JPY 17 477 100 000	CHF 153 459 424			
JPY	17/05/2017	22/05/2017	Total	JPY 17 477 100 000	CHF 153 459 424	1	CHF 152 924 625	CHF 534 799
JPY	17/05/2017	20/07/2017	1	JPY 17 477 100 000	CHF 152 742 688			
JPY	17/07/2017	20/07/2017	Total	JPY 17 477 100 000	CHF 152 742 688	1	CHF 149 376 774	CHF 3 365 914

Currency	Date trade	Date value	Number of contracts	Amount in foreign currency	Purchase price	Number of contracts	Liquidation proceeds	Currency profit/loss
JPY	17/07/2017	20/09/2017	1	JPY 17 477 100 000	CHF 149 195 012			
JPY	15/09/2017	20/09/2017	Total	JPY 17 477 100 000	CHF 149 195 012	1	CHF 150 879 804	CHF -1 684 792
JPY	15/09/2017	20/11/2017	1	JPY 17 477 100 000	CHF 150 709 752			
JPY	22/09/2017	20/11/2017	1	JPY 3 335 300 000	CHF 28 837 004			
JPY	15/11/2017	20/11/2017	Total	JPY 20 812 400 000	CHF 179 546 756	2	CHF 182 046 063	CHF -2 499 307
AUD	16/11/2016	20/01/2017	1	AUD 379 200 000	CHF 283 067 870			
AUD	08/12/2016	20/01/2017	1	AUD -23 860 000	CHF -17 973 380			
AUD	19/12/2016	20/01/2017	1	AUD -10 230 000	CHF -7 628 460			
AUD	03/01/2017	20/01/2017	1	AUD 116 710 000	CHF 86 312 064			
AUD	17/01/2017	20/01/2017	Total	AUD 461 820 000	CHF 343 778 094	4	CHF 349 320 648	CHF -5 542 554
AUD	17/01/2017	17/03/2017	1	AUD 461 820 000	CHF 347 779 093			
AUD	22/02/2017	17/03/2017	1	AUD 39 590 000	CHF 30 758 461			
AUD	14/03/2017	17/03/2017	Total	AUD 501 410 000	CHF 378 537 554	2	CHF 382 525 689	CHF -3 988 135
AUD	14/03/2017	22/05/2017	1	AUD 526 800 000	CHF 399 756 912			
AUD	17/05/2017	22/05/2017	Total	AUD 526 800 000	CHF 399 756 912	1	CHF 383 510 400	CHF 16 246 512
AUD	17/05/2017	20/07/2017	1	AUD 526 800 000	CHF 381 700 842			
AUD	18/05/2017	20/07/2017	1	AUD 1 900 000	CHF 1 376 892			
AUD	17/07/2017	20/07/2017	Total	AUD 528 700 000	CHF 383 077 734	2	CHF 397 582 400	CHF -14 504 666
AUD	17/07/2017	20/09/2017	1	AUD 528 700 000	CHF 395 710 802			
AUD	15/09/2017	20/09/2017	Total	AUD 528 700 000	CHF 395 710 802	1	CHF 407 257 610	CHF -11 546 808
AUD	15/09/2017	20/11/2017	1	AUD 528 700 000	CHF 405 338 429			
AUD	08/11/2017	20/11/2017	1	AUD 3 040 000	CHF 2 327 476			
AUD	15/11/2017	20/11/2017	Total	AUD 531 740 000	CHF 407 665 905	2	CHF 398 342 386	CHF 9 323 519
USD	16/11/2016	20/01/2017	1	USD 606 100 000	CHF 605 930 292			
USD	01/12/2016	20/01/2017	1	USD -17 090 000	CHF -17 296 721			
USD	19/12/2016	20/01/2017	1	USD 1 000	CHF 1 021			
USD	20/12/2016	20/01/2017	1	USD -1 000	CHF -1 029			
USD	17/01/2017	20/01/2017	Total	USD 589 010 000	CHF 588 633 563	4	CHF 589 422 307	CHF -788 744
USD	17/01/2017	17/03/2017	1	USD 589 010 000	CHF 587 632 895			
USD	27/01/2017	17/03/2017	1	USD 4 620 000	CHF 4 613 158			
USD	02/02/2017	17/03/2017	1	USD -57 050 000	CHF -56 276 973			
USD	13/02/2017	17/03/2017	1	USD 300 000	CHF 301 380			
USD	15/02/2017	17/03/2017	1	USD -140 000	CHF -141 278			
USD	15/02/2017	17/03/2017	1	USD 22 880 000	CHF 22 999 205			
USD	22/02/2017	17/03/2017	1	USD 47 930 000	CHF 48 512 110			
USD	14/03/2017	17/03/2017	Total	USD 607 550 000	CHF 607 640 497	7	CHF 612 045 870	CHF -4 405 373
USD	14/03/2017	22/05/2017	1	USD 631 360 000	CHF 633 456 115			
USD	19/04/2017	22/05/2017	1	USD 55 000 000	CHF 54 675 720			
USD	17/05/2017	22/05/2017	Total	USD 686 360 000	CHF 688 131 835	2	CHF 675 378 240	CHF 12 753 595
USD	17/05/2017	20/07/2017	1	USD 686 440 000	CHF 672 958 318			
USD	15/06/2017	20/07/2017	1	USD 490 000	CHF 476 349			
USD	17/07/2017	20/07/2017	Total	USD 686 930 000	CHF 673 434 667	2	CHF 659 521 493	CHF 13 913 174
USD	17/07/2017	20/09/2017	1	USD 686 970 000	CHF 656 994 064			
USD	16/08/2017	20/09/2017	1	USD 650 000	CHF 632 319			
USD	15/09/2017	20/09/2017	Total	USD 687 620 000	CHF 657 626 383	2	CHF 660 183 962	CHF -2 557 579
USD	15/09/2017	20/11/2017	1	USD 689 390 000	CHF 659 308 467			
USD	03/10/2017	20/11/2017	1	USD -1 040 000	CHF -1 010 645			
USD	17/10/2017	20/11/2017	1	USD 1 610 000	CHF 1 569 470			
USD	15/11/2017	20/11/2017	Total	USD 689 960 000	CHF 659 867 292	3	CHF 680 645 540	CHF -20 778 248
GBP	15/12/2016	21/02/2017	1	GBP 144 200 000	CHF 185 157 270			
GBP	27/12/2016	21/02/2017	1	GBP 9 740 000	CHF 12 274 143			
GBP	13/02/2017	21/02/2017	1	GBP -4 520 000	CHF -5 679 886			
GBP	15/02/2017	21/02/2017	Total	GBP 149 420 000	CHF 191 751 527	3	CHF 187 300 958	CHF 4 450 569
GBP	15/02/2017	20/04/2017	1	GBP 149 420 000	CHF 186 908 731			
GBP	22/02/2017	20/04/2017	1	GBP 22 640 000	CHF 28 487 912			
GBP	14/03/2017	20/04/2017	1	GBP -9 590 000	CHF -11 741 977			
GBP	18/04/2017	20/04/2017	Total	GBP 162 470 000	CHF 203 654 666	3	CHF 205 297 092	CHF -1 642 426
GBP	18/04/2017	20/06/2017	1	GBP 162 470 000	CHF 204 874 670			
GBP	16/05/2017	20/06/2017	1	GBP 2 755 000	CHF 3 535 224			
GBP	15/06/2017	20/06/2017	Total	GBP 165 225 000	CHF 208 409 894	2	CHF 205 044 225	CHF 3 365 669
GBP	15/06/2017	21/08/2017	1	GBP 165 230 000	CHF 204 622 484			
GBP	16/08/2017	21/08/2017	Total	GBP 165 230 000	CHF 204 622 484	1	CHF 207 750 288	CHF -3 127 804
GBP	16/08/2017	20/10/2017	1	GBP 165 230 000	CHF 207 363 650			
GBP	04/10/2017	20/10/2017	1	GBP 23 750 000	CHF 30 626 195			
GBP	17/10/2017	20/10/2017	Total	GBP 188 980 000	CHF 237 989 845	2	CHF 245 107 060	CHF -7 117 215

Currency	Date trade	Date value	Number of contracts	Amount in foreign currency	Purchase price	Number of contracts	Liquidation proceeds	Currency profit/loss
GBP	17/10/2017	20/12/2017	1	GBP 188 980 000	CHF 244 586 420			
GBP	15/12/2017	20/12/2017	Total	GBP 188 980 000	CHF 244 586 420	1	CHF 250 795 358	CHF -6 208 938
NZD	16/11/2016	20/01/2017	1	NZD 144 050 000	CHF 101 438 425			
NZD	17/01/2017	20/01/2017	Total	NZD 144 050 000	CHF 101 438 425	1	CHF 103 788 025	CHF -2 349 600
NZD	17/01/2017	17/03/2017	1	NZD 144 050 000	CHF 103 291 485			
NZD	22/02/2017	17/03/2017	1	NZD 12 350 000	CHF 8 946 748			
NZD	14/03/2017	17/03/2017	Total	NZD 156 400 000	CHF 112 238 233	2	CHF 109 198 480	CHF 3 039 753
NZD	14/03/2017	22/05/2017	1	NZD 162 100 000	CHF 112 522 526			
NZD	17/05/2017	22/05/2017	Total	NZD 162 100 000	CHF 112 522 526	1	CHF 109 887 590	CHF 2 634 936
NZD	17/05/2017	20/07/2017	1	NZD 162 100 000	CHF 109 326 400			
NZD	17/07/2017	20/07/2017	Total	NZD 162 100 000	CHF 109 326 400	1	CHF 114 199 450	CHF -4 873 050
NZD	17/07/2017	20/09/2017	1	NZD 162 100 000	CHF 113 626 427			
NZD	15/09/2017	20/09/2017	Total	NZD 162 100 000	CHF 113 626 427	1	CHF 113 145 800	CHF 480 627
NZD	15/09/2017	20/11/2017	1	NZD 162 100 000	CHF 112 568 724			
NZD	26/10/2017	20/11/2017	1	NZD 2 435 000	CHF 1 658 379			
NZD	15/11/2017	20/11/2017	Total	NZD 164 535 000	CHF 114 227 103	2	CHF 111 900 254	CHF 2 326 849
Realized capital loss on concluded forward foreign exchange contracts								CHF -64 389 192
Realized capital gain on other foreign exchange transactions								CHF 7 531 055
TOTAL REALIZED CAPITAL GAINS/LOSSES ON CURRENCIES								CHF -56 858 137

Unrealized Capital Gains/Losses on Currencies

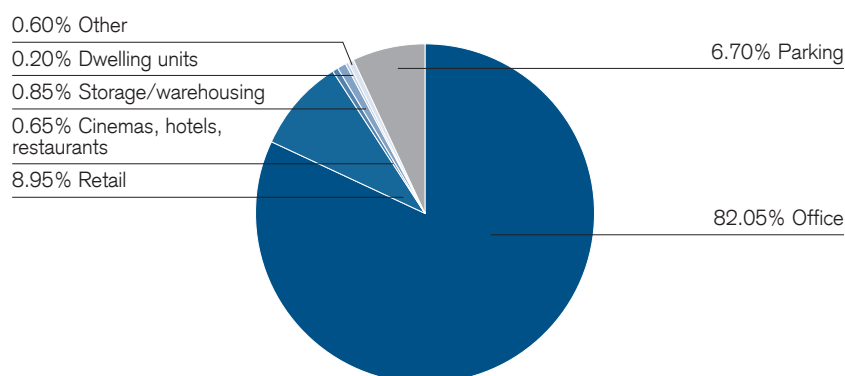
Unrealized capital gains/losses on open forward foreign exchange contracts as at 31/12/2017

Currency	Date trade	Date value	Number of contracts	Amount in foreign currency	Purchase price	Number of contracts	Equivalent underlying value	Currency profit/loss
CAD	15/12/2017	20/02/2018	1	CAD 537 330 000	CHF 414 267 997			
CAD	22/12/2017	20/02/2018	1	CAD 2 060 000	CHF 1 593 534			
CAD		20/02/2018	Total	CAD 539 390 000	CHF 415 861 531	2	CHF 418 423 162	CHF -2 561 631
EUR	15/12/2017	20/02/2018	1	EUR 402 760 000	CHF 468 651 536			
EUR		20/02/2018	Total	EUR 402 760 000	CHF 468 651 536	1	CHF 471 058 430	CHF -2 406 894
JPY	15/11/2017	19/01/2018	1	JPY 20 812 400 000	CHF 181 812 964			
JPY	15/12/2017	19/01/2018	1	JPY 471 200 000	CHF 4 144 030			
JPY		19/01/2018	Total	JPY 21 283 600 000	CHF 185 956 994	2	CHF 184 024 391	CHF 1 932 603
AUD	15/11/2017	19/01/2018	1	AUD 531 740 000	CHF 396 265 942			
AUD	15/12/2017	19/01/2018	1	AUD -1 710 000	CHF -1 293 018			
AUD		19/01/2018	Total	AUD 530 030 000	CHF 394 972 924	2	CHF 403 608 304	CHF -8 635 380
USD	15/11/2017	19/01/2018	1	USD 688 980 000	CHF 676 475 013			
USD	15/12/2017	19/01/2018	1	USD 19 380 000	CHF 19 068 893			
USD	22/12/2017	19/01/2018	1	USD 1 490 000	CHF 1 470 205			
USD		19/01/2018	Total	USD 709 850 000	CHF 697 014 111	3	CHF 691 063 820	CHF 5 950 291
GBP	15/12/2017	20/02/2018	1	GBP 185 820 000	CHF 245 873 308			
GBP	18/12/2017	20/02/2018	1	GBP 11 210 000	CHF 14 770 946			
GBP		20/02/2018	Total	GBP 197 030 000	CHF 260 644 254	2	CHF 259 278 082	CHF 1 366 172
NZD	15/11/2017	19/01/2018	1	NZD 164 540 000	CHF 111 261 125			
NZD	15/12/2017	19/01/2018	1	NZD -810 000	CHF -560 011			
NZD		19/01/2018	Total	NZD 163 730 000	CHF 110 701 114	2	CHF 113 342 747	CHF -2 641 633
Unrealized capital loss on open forward foreign exchange contracts								CHF -6 996 472
Unrealized capital gain on the conversion of the asset and income statement positions								CHF 26 233 458
TOTAL UNREALIZED CAPITAL GAINS/LOSSES ON CURRENCIES								CHF 19 236 986

Further Information on Off-Balance-Sheet Business

	31/12/2017		31/12/2016	
	Equivalent underlying value in CHF	% of net fund assets	Equivalent underlying value in CHF	% of net fund assets
Exposure-increasing derivative positions:				
– Currency risk	–	–	–	–
Total exposure-increasing positions	–	–	–	–
Exposure-reducing derivative positions:				
– Currency risk	2 540 798 936	91.95	1 991 883 192	82.44
Total exposure-reducing positions	2 540 798 936	91.95	1 991 883 192	82.44

Structural Breakdown by Actual Net Rental Income



Breakdown of Property/Real Estate as at December 31, 2017

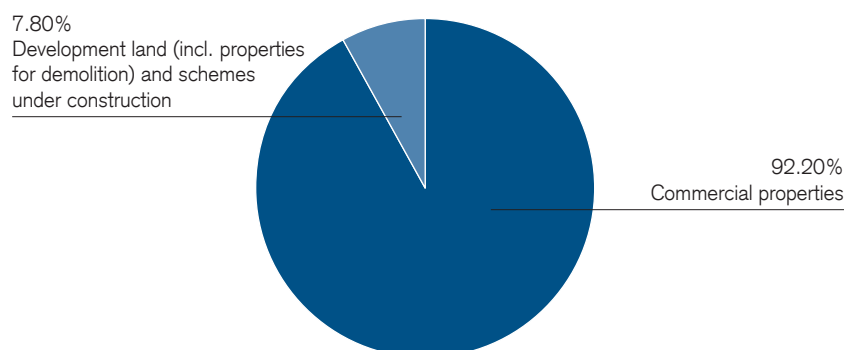
Breakdown of property

	Acquisition costs	Market value	Insurance value
	CHF	CHF	CHF
Residential buildings	–	–	–
Commercial properties	2 681 163 666	3 054 626 476	2 319 260 888
Mixed-use properties	–	–	–
Development land (incl. properties for demolition) and schemes under construction	205 410 778	258 266 291	203 434 597
Total	2 886 574 444	3 312 892 767	2 522 695 485

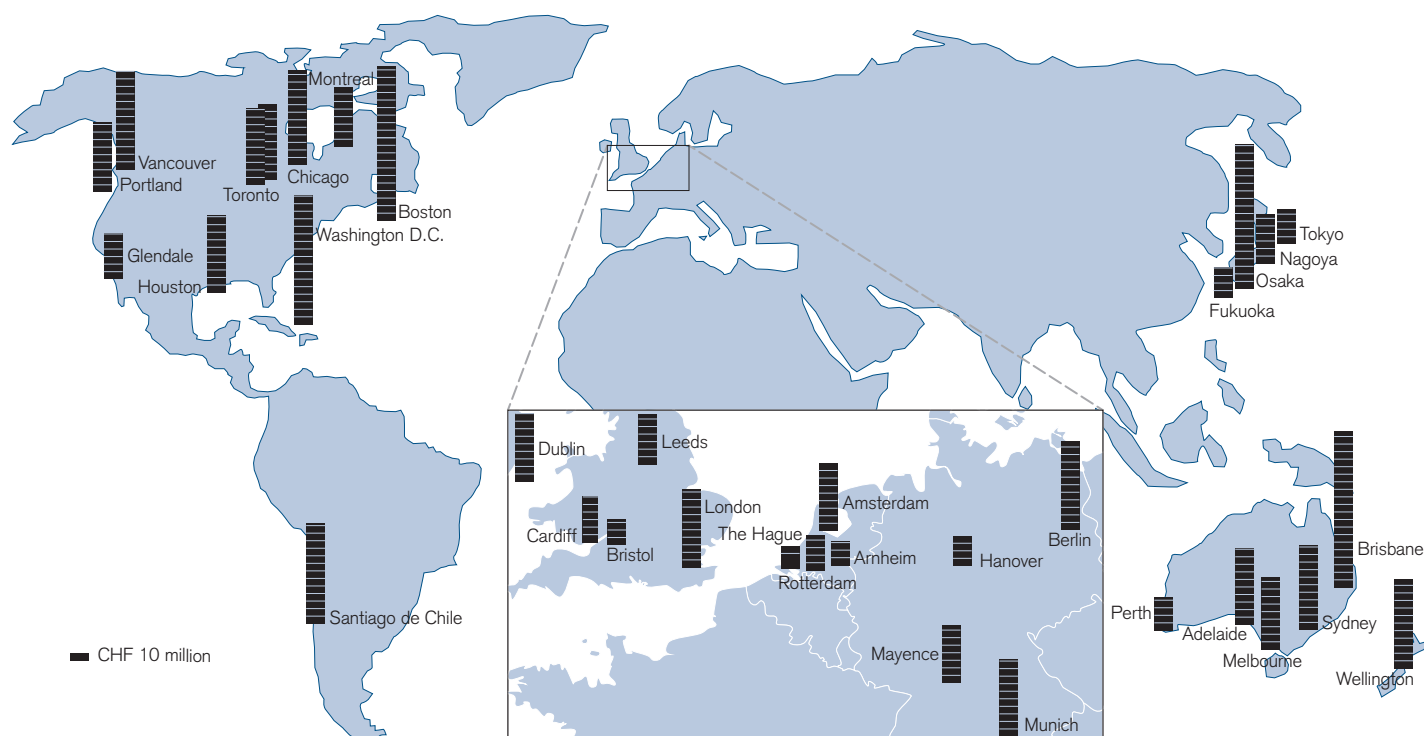
Immobilienstruktur

	Acquisition costs	Market value
Residential buildings	0.00%	0.00%
Commercial properties	92.90%	92.20%
Mixed-use properties	0.00%	0.00%
Development land (incl. properties for demolition) and schemes under construction	7.10%	7.80%
Total	100.00%	100.00%

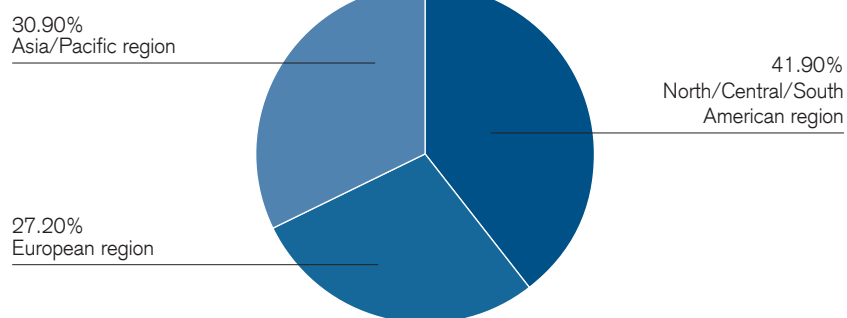
Structural Break-down by Market value



Geographical Distribution of the Fund's Properties / Regional Breakdown by Market Value



Regional Break-down by Market Value



Schedule of Properties in Swiss Francs (CHF) General Information about the Properties / Financial Data on the Properties / Breakdown of Residential / Commercial Premises

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

Location, address	Country	Number of buildings	Total rental premises	Total lettable area (m ²)	Site area (m ²)	Year of construction	Acquisition date
Residential buildings							
Total I		–	–	–	–		
Commercial properties							
Adelaide , "G25", 25 Grenfell Street	Australia	1	79	25 372	1 956	1975/2007	05/01/2017
Amsterdam , "Spectrum", Gatwickstraat 9–39	Netherlands						
Amsterdam , "Teleport Towers", Kingsfordweg 151–241	Netherlands	1	152	12 213	5 065	2001	20/03/2008
Amsterdam , "MediArena", Mediarena 1–8	Netherlands	1	487	19 515	4 571	2010	01/09/2010
Arnhem , Koningstraat 26–37	Netherlands	1	440	10 402	4 718	1969/2015	15/10/2007
Berlin , Invalidenstrasse 91	Germany	1	40	6 438	1 379	2011	01/07/2011
Berlin , "Kant Center", Wilmsdorfer Str. 108–111, Kantstr. 112–114, Krumme Str. 48–49	Germany	2	309	20 380	6 211	1930/1993/2004	15/07/2011
Boston , "Independence Wharf", 470 Atlantic Avenue	USA	1	134	31 249	3 361	1927/2001	25/09/2009
Brisbane , 55 Elizabeth Street	Australia	1	68	19 756	1 998	2013	17/06/2011
Brisbane , 99 Melbourne Street	Australia	1	49	6 393	2 706	2004	30/10/2015
Bristol , "Temple Quay", 3 Rivergate	Great Britain	1	82	7 021	2 569	2002	06/08/2009
Cardiff , 5 Callaghan Square	Great Britain	1	41	4 909	2 450	2008	25/10/2011
Chicago , 1333 North Kingsbury Street	USA	1	95	9 296	5 342	1920/2015	17/02/2017
Chicago , 250 South Wacker Drive	USA	1	88	22 757	1 811	1957/2007	15/12/2011
The Hague , Anna van Saksenlaan 69/71	Netherlands	1	113	9 324	4 510	2003	29/09/2006
Dublin , "La Touche House", IFSC	Ireland	1	169	9 437	4 117	1990	01/05/2013
Fukuoka , 1-12-64 Daimyo, Chuo-ku	Japan	1	4	1 494	592	2005	22/12/2011
Glendale , 207 Goode Avenue	USA	1	10	17 569	4 168	2009	29/06/2017
Hanover , "Kontorhaus", Ernst-August-Platz 3–3A	Germany	1	33	11 055	2 848	1850/2002	01/08/2005
Houston , 919 Milam Street	USA	1	478	50 439	5 806	1956/1992/2006	23/05/2013
Leeds , "One Leeds City Office Park", Meadow Lane	Great Britain	1	202	5 234	5 388	1996	16/09/2009
Leeds , "Princes Exchange", Princes Square	Great Britain	1	180	10 087	6 810	1999	12/05/2016
London , "Earl Place", 15 Appold Street	Great Britain	1	17	8 736	1 936	1991	10/02/2010
Mayence , "Römerpassage", Adolf-Kolping-Strasse	Germany	2	320	16 641	4 945	2003	28/12/2006
Melbourne , "Zurich House", 505 Little Collins Street	Australia	1	121	18 078	1 894	1991	30/04/2008
Montreal , "Place du Canada", 1010 Rue de la Gauchetière West	Canada	1	477	37 141	2 907	1967	30/06/2006
München , "Laimer Würfel", Landsberger Strasse 300	Germany	1	199	24 758	5 353	2007	10/02/2012
Nagoya , "Glass City Sakae", 3-11-31 Sakae, Naka-ku	Japan	1	125	9 914	1 979	2008	18/12/2015
Osaka , "Edge Honmachi", 2-3-12 Minami-Honmachi 2-chrome, Chuo-ku, Osaka-shi	Japan	1	76	7 387	3 996	1989/2017	29/09/2017
Osaka , "KM Building", 20-1, 7-Chome, Fukushima, Fukushima-ku	Japan	1	141	14 724	3 001	1995	22/04/2016
Osaka , "YM Building", 15-3, 15-4, 15-5, 15-6, 15-7, 7-Chome, Fukushima, Fukushima-ku	Japan	1	94	9 968	2 872	1991	22/04/2016
Perth , 190 St Georges Terrace	Australia	1	73	9 338	1 832	1982	05/02/2016
Portland , 1320 SW Broadway	USA	1	84	16 324	3 696	1974	20/04/2017
Rotterdam , "The Corner", Binnenwegplein 26–68	Netherlands	1	12	13 639	3 013	1959/1999	12/09/2006
San Francisco , "Adam Grant Building", 114 Sansome Street	USA						
Santiago de Chile , Apoquindo 5400, Las Condes	Chile	2	764	22 269	4 069	2014	15/05/2014
Santiago de Chile , "Edificio Magdalena Norte", Magdalena 181, Las Condes	Chile	1	284	8 651	2 025	2010	27/04/2010
Sydney , "Latitude East Building", 52 Goulburn Street	Australia	1	222	23 104	1 832 ²⁾	2007	03/03/2008
Tokyo , "Toranomon 1-chome", 1-16-16 Toranomon, Minato-ku	Japan	1	24	4 298	582	1964/2005	22/09/2006
Toronto , 121 Bloor Street East	Canada	1	227	22 664	2 104	1982	15/02/2005
Toronto , 160 Bloor Street East	Canada	1	369	35 348	4 593	1982	15/02/2005
Washington , 1099 New York Avenue	USA	1	168	16 563	1 610	2008	21/09/2009
Wellington , "Justice Centre", 19 Aitken Street, Mulgrave Street & Kat Sheppard Place, Thorndon	New Zealand	1	157	35 267	5 365	1966/2009/2011	15/11/2012
Total II		44	7 207	665 152	137 980		
Of which in condominium ownership							
Of which under leasehold							
Mixed-use properties							
Total III		–	–	–	–		
Development land (incl. properties for demolition) and schemes under construction							
Cardiff , 2 Central Square	Great Britain	1	–	–	2 300	2018	11/10/2017
Vancouver , "The Exchange", 475 Howe Street, 819-829 West Pender Street	Canada	2	–	–	1 739	1929/2018	01/08/2011
Total IV		3	–	–	4 039		
Lots under leasehold							
Total V		–	–	–	–		
Total		47	7 207	665 152	142 019		
Of which in condominium ownership							
Of which under leasehold							

* Property sold during the period under review

¹⁾ Non-annualized

²⁾ Co-ownership ⁵⁰/₁₀₀ = 1 832 m² (total site area = 3 663 m²)

Ownership type	Acquisition costs	Market value	Projected rental income ¹⁾	Rental losses ¹⁾ as percentage		Gross income (net rental income) ¹⁾	Rooms				
				in CHF			1–1.5	2–2.5	3–3.5	4–4.5	5+
	–	–	–	–	–	–	–	–	–	–	–
Sole ownership	104 796 723	101 831 657	6 505 753	2 767 545	42.54	3 738 208	–	–	–	–	–
			559 454	–	–	559 454	–	–	–	–	–
Sole ownership on leased site	49 027 827	28 905 126	2 593 387	303 847	11.72	2 289 540	–	–	–	–	–
Sole ownership on leased site	78 612 574	60 501 822	6 217 136	–	–	6 217 136	–	–	–	–	–
Sole ownership	59 486 299	32 181 820	2 288 215	951 481	41.58	1 336 734	–	–	–	–	–
Sole ownership	25 892 123	31 011 572	1 542 494	2 455	0.16	1 540 039	–	–	–	–	–
Sole ownership	72 562 128	86 715 377	4 537 878	–	–	4 537 878	–	–	–	–	–
Sole ownership	113 476 990	204 645 000	9 738 532	43 005	0.44	9 695 527	–	–	–	–	–
Sole ownership	126 822 605	179 120 055	10 591 011	–	–	10 591 011	–	–	–	–	–
Sole ownership	33 511 550	27 896 996	1 700 445	172 188	10.13	1 528 257	–	–	–	–	–
Sole ownership	30 413 789	33 880 156	2 105 173	–	–	2 105 173	–	–	–	–	–
Sole ownership	19 442 980	20 038 069	1 348 985	–	–	1 348 985	–	–	–	–	–
Sole ownership	27 396 495	27 773 250	2 172 338	126 338	5.82	2 046 000	–	–	–	–	–
Sole ownership	93 352 846	96 962 750	6 516 130	391 783	6.01	6 124 347	–	–	–	–	–
Sole ownership on leased site	46 954 125	29 256 200	2 223 294	–	–	2 223 294	–	–	–	–	–
Sole ownership	42 772 172	90 694 220	4 565 558	150 177	3.29	4 415 381	–	–	–	–	–
Sole ownership	38 816 649	40 568 969	1 865 000	–	–	1 865 000	–	–	–	–	–
Sole ownership	59 828 269	60 419 000	2 309 383	695 035	30.10	1 614 348	–	–	–	–	–
Sole ownership	33 963 766	39 437 358	1 986 982	9 714	0.49	1 977 268	–	–	–	–	–
Sole ownership	121 089 435	103 297 000	11 206 644	1 946 010	17.36	9 260 634	–	–	–	–	–
Sole ownership	21 488 009	16 874 163	1 862 363	–	–	1 862 363	–	–	–	–	–
Sole ownership	55 421 080	49 963 343	3 370 873	–	–	3 370 873	–	–	–	–	–
Sole ownership	67 315 643	104 145 226	3 926 576	–	–	3 926 576	–	–	–	–	–
Sole ownership	82 396 080	86 481 327	4 583 213	49 021	1.07	4 534 192	–	29	7	–	–
Sole ownership	75 653 970	96 038 838	5 535 557	623 734	11.27	4 911 823	–	–	–	–	–
Sole ownership	76 125 677	79 334 682	5 146 872	1 154 463	22.43	3 992 409	–	–	–	–	–
Sole ownership	91 869 422	102 279 675	4 966 984	178 911	3.60	4 788 073	–	–	–	–	–
Sole ownership	65 821 779	66 000 263	3 158 577	138 147	4.37	3 020 430	–	–	–	–	–
Sole ownership	52 590 166	52 938 612	544 692	6 509	1.19	538 183	–	–	–	–	–
Sole ownership	87 033 315	88 231 020	4 100 184	379 925	9.27	3 720 259	–	–	–	–	–
Sole ownership	48 136 440	50 084 079	2 227 123	47 959	2.15	2 179 164	–	–	–	–	–
Sole ownership	54 375 884	44 665 682	4 705 291	232 981	4.95	4 472 310	–	–	–	–	–
Sole ownership	94 051 337	92 577 500	2 311 711	239 362	10.35	2 072 349	–	–	–	–	–
Sole ownership	43 719 801	47 043 970	2 875 660	64 686	2.25	2 810 974	–	–	–	–	–
			356 124	80 940	22.73	275 184	–	–	–	–	–
Condominium	71 291 676	91 298 317	6 544 857	915 268	13.98	5 629 589	–	–	–	–	–
Sole ownership	22 058 621	41 657 511	2 923 373	52 002	1.78	2 871 371	–	–	–	–	–
Co-ownership	97 919 022	112 426 418	6 313 583	–	–	6 313 583	–	–	–	–	–
Sole ownership	75 419 203	46 364 536	2 122 602	80 434	3.79	2 042 168	–	–	–	–	–
Sole ownership on leased site	42 931 322	62 612 176	4 373 444	14 552	0.33	4 358 892	–	–	–	–	–
Sole ownership	66 827 745	138 446 797	7 238 943	14 278	0.20	7 224 665	–	–	–	–	–
Sole ownership	94 923 299	171 512 000	10 398 310	122 924	1.18	10 275 386	–	–	–	–	–
Sole ownership	115 574 830	118 513 944	9 424 433	–	–	9 424 433	–	–	–	–	–
	2 681 163 666	3 054 626 476	181 585 137	11 955 674	6.58	169 629 463	–	29	7	–	–
	71 291 676	91 298 317	6 544 857	915 268	13.98	5 629 589					
	217 525 848	181 275 324	15 407 261	318 399	2.07	15 088 862					
	–	–	–	–	–	–	–	–	–	–	–
Sole ownership	40 098 487	41 262 602	–	–	–	–	–	–	–	–	–
Sole ownership	165 312 291	217 003 689	–	–	–	–	–	–	–	–	–
	205 410 778	258 266 291	–	–	–	–	–	–	–	–	–
	–	–	–	–	–	–	–	–	–	–	–
	2 886 574 444	3 312 892 767	181 585 137	11 955 674	6.58	169 629 463	–	29	7	–	–
	71 291 676	91 298 317	6 544 857	915 268	13.98	5 629 589					
	217 525 848	181 275 324	15 407 261	318 399	2.07	15 088 862					

Dwelling units														Commercial premises			
Total dwelling units		Parking	Retail outlets	Offices, practices etc.		Cinemas/hotels/ restaurants		Storerooms		Other commercial premises		Total commercial premises excl. parking					
No.	m²			No.	m²	No.	m²	No.	m²	No.	m²	No.	m²	No.	m²	%	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	30	10	1 208	31	24 072	-	-	3	92	5	-	49	25 372	100.00	
-	-	-	127	-	-	24	11 783	-	-	1	430	-	-	25	12 213	100.00	
-	-	-	480	-	-	7	19 515	-	-	-	-	-	-	7	19 515	100.00	
-	-	-	412	3	1 889	14	7 810	-	-	9	703	2	-	28	10 402	100.00	
-	-	-	28	-	-	11	6 438	-	-	-	-	1	-	12	6 438	100.00	
-	-	-	288	9	17 098	6	2 226	-	-	6	1 056	-	-	21	20 380	100.00	
-	-	-	110	2	407	21	30 566	-	-	-	-	1	276	24	31 249	100.00	
-	-	-	50	3	622	14	18 627	-	-	1	507	-	-	18	19 756	100.00	
-	-	-	39	2	355	7	6 038	-	-	-	-	1	-	10	6 393	100.00	
-	-	-	75	-	-	7	7 021	-	-	-	-	-	-	7	7 021	100.00	
-	-	-	31	-	-	10	4 909	-	-	-	-	-	-	10	4 909	100.00	
-	-	-	82	-	-	11	9 296	-	-	-	-	2	-	13	9 296	100.00	
-	-	-	58	1	927	23	21 327	1	503	-	-	5	-	30	22 757	100.00	
-	-	-	107	-	-	6	9 324	-	-	-	-	-	-	6	9 324	100.00	
-	-	-	150	-	-	16	9 285	-	-	3	152	-	-	19	9 437	100.00	
-	-	-	-	4	1 494	-	-	-	-	-	-	-	-	4	1 494	100.00	
-	-	-	-	2	2 942	8	14 627	-	-	-	-	-	-	10	17 569	100.00	
-	-	-	-	1	5 217	15	4 400	1	79	16	1 359	-	-	33	11 055	100.00	
-	-	-	365	11	1 356	59	46 033	6	1 437	20	1 376	17	237	113	50 439	100.00	
-	-	-	198	-	-	4	5 234	-	-	-	-	-	-	4	5 234	100.00	
-	-	-	171	-	-	6	9 625	-	-	2	462	1	-	9	10 087	100.00	
-	-	-	7	-	-	10	8 736	-	-	-	-	-	-	10	8 736	100.00	
36	2 685	16.13	181	44	6 643	17	4 784	5	553	33	1 974	4	2	103	13 956	83.87	
-	-	-	100	4	668	15	17 410	-	-	-	-	2	-	21	18 078	100.00	
-	-	-	353	10	932	74	34 950	-	-	36	1 259	4	-	124	37 141	100.00	
-	-	-	161	1	343	12	19 507	1	247	20	1 762	4	2 899	38	24 758	100.00	
-	-	-	96	3	1 441	25	8 473	-	-	-	-	1	-	29	9 914	100.00	
-	-	-	34	1	231	13	6 598	3	393	8	165	17	-	42	7 387	100.00	
-	-	-	105	1	912	31	13 392	-	-	1	53	3	367	36	14 724	100.00	
-	-	-	59	2	936	30	9 012	-	-	1	20	2	-	35	9 968	100.00	
-	-	-	44	1	293	24	9 045	-	-	-	-	4	-	29	9 338	100.00	
-	-	-	67	-	-	10	16 055	2	198	3	71	2	-	17	16 324	100.00	
-	-	-	-	9	13 168	-	-	1	378	2	93	-	-	12	13 639	100.00	
-	-	-	653	2	709	26	20 742	-	-	83	818	-	-	111	22 269	100.00	
-	-	-	226	1	88	21	8 296	-	-	36	267	-	-	58	8 651	100.00	
-	-	-	210	1	104	10	22 931	-	-	1	69	-	-	12	23 104	100.00	
-	-	-	4	-	-	10	3 660	-	-	6	638	4	-	20	4 298	100.00	
-	-	-	157	1	37	38	21 752	-	-	21	875	10	-	70	22 664	100.00	
-	-	-	304	7	1 513	32	33 161	2	305	17	369	7	-	65	35 348	100.00	
-	-	-	137	1	211	21	15 511	1	517	7	324	1	-	31	16 563	100.00	
-	-	-	131	3	277	18	34 097	-	-	3	819	2	74	26	35 267	100.00	
36	2 685	0.40	5 830	140	62 021	737	576 268	23	4 610	339	15 713	102	3 855	1 341	662 467	99.60	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	2 685	0.40	5 830	140	62 021	737	576 268	23	4 610	339	15 713	102	3 855	1 341	662 467	99.60	

Schedule of Properties (Local Currencies) Financial Data on the Properties

Location, address	Country	Acquisition costs in national currency	Market value in national currency
Yen (JPY)			
Fukuoka , 1-12-64 Daimyo, Chuo-ku	Japan	4 487 421 959	4 690 000 000
Nagoya , "Glass City Sakae", 3-11-31 Sakae, Naka-ku	Japan	7 609 366 268	7 630 000 000
Osaka , "Edge Honmachi", 2-3-12 Minami-Honmachi 2-chrome, Chuo-ku, Osaka-shi	Japan	6 079 717 675	6 120 000 000
Osaka , "KM Building", 20-1, 7-Chome, Fukushima, Fukushima-ku	Japan	10 061 538 639	10 200 000 000
Osaka , "YM Building", 15-3, 15-4, 15-5, 15-6, 15-7, 7-Chome, Fukushima, Fukushima-ku	Japan	5 564 841 995	5 790 000 000
Tokyo , "Toranomon 1-chome", 1-16-16 Toranomon, Minato-ku	Japan	8 718 882 193	5 360 000 000
Total JPY		42 521 768 729	39 790 000 000
Euro (EUR)			
Amsterdam , "Spectrum", Gatwickstraat 9-39	Netherlands		
Amsterdam , "Teleport Towers", Kingsfordweg 151-241	Netherlands	41 895 245	24 700 000
Amsterdam , "MediArena", Mediarena 1-8	Netherlands	67 175 995	51 700 000
Arnhem , Koningstraat 26-37	Netherlands	50 832 216	27 500 000
Berlin , Invalidenstrasse 91	Germany	22 125 330	26 500 000
Berlin , "Kant Center", Wilmsdorfer Str. 108-111, Kantstr. 112-114, Krumme Str. 48-49	Germany	62 005 770	74 100 000
The Hague , Anna van Saksenlaan 69/71	Netherlands	40 123 226	25 000 000
Dublin , "La Touche House", IFSC	Ireland	36 549 665	77 500 000
Hanover , "Kontorhaus", Ernst-August-Platz 3-3A	Germany	29 022 708	33 700 000
Mayence , "Römerpassage", Adolf-Kolping-Strasse	Germany	70 409 076	73 900 000
München , "Laimer Würfel", Landsberger Strasse 300	Germany	78 504 233	87 400 000
Rotterdam , "The Corner", Binnenwegplein 26-68	Netherlands	37 359 432	40 200 000
Total EUR		536 002 896	542 200 000
Canadian dollar (CAD)			
Montreal , "Place du Canada", 1010 Rue de la Gauchetière West	Canada	97 874 207	102 000 000
Toronto , 121 Bloor Street East	Canada	55 196 476	80 500 000
Toronto , 160 Bloor Street East	Canada	85 919 926	178 000 000
Vancouver , "The Exchange", 475 Howe Street, 819-829 West Pender Street	Canada	212 540 761	279 000 000
Total CAD		451 531 370	639 500 000
Pound sterling (GBP)			
Bristol , "Temple Quay", 3 Rivergate	Great Britain	23 070 566	25 700 000
Cardiff , 5 Callaghan Square	Great Britain	14 748 592	15 200 000
Cardiff , 2 Central Square	Great Britain	30 416 953	31 300 000
Leeds , "One Leeds City Office Park", Meadow Lane	Great Britain	16 299 861	12 800 000
Leeds , "Princes Exchange", Princes Square	Great Britain	42 040 000	37 900 000
London , "Earl Place", 15 Appold Street	Great Britain	51 062 694	79 000 000
Total GBP		177 638 666	201 900 000
Australian dollar (AUD)			
Adelaide , "G25", 25 Grenfell Street	Australia	137 490 075	133 600 000
Brisbane , 55 Elizabeth Street	Australia	166 387 355	235 000 000
Brisbane , 99 Melbourne Street	Australia	43 966 122	36 600 000
Melbourne , "Zurich House", 505 Little Collins Street	Australia	99 255 680	126 000 000
Perth , 190 St Georges Terrace	Australia	71 339 487	58 600 000
Sydney , "Latitude East Building", 52 Goulburn Street	Australia	128 466 744	147 500 000
Total AUD		646 905 463	737 300 000
US dollar (USD)			
Boston , "Independence Wharf", 470 Atlantic Avenue	USA	116 446 372	210 000 000
Chicago , 1333 North Kingsbury Street	USA	28 113 386	28 500 000
Chicago , 250 South Wacker Drive	USA	95 795 635	99 500 000
Glendale , 207 Goode Avenue	USA	61 393 811	62 000 000
Houston , 919 Milam Street	USA	124 258 014	106 000 000
Portland , 1320 SW Broadway	USA	96 512 403	95 000 000
San Francisco , "Adam Grant Building", 114 Sansome Street	USA		
Washington , 1099 New York Avenue	USA	97 407 182	176 000 000
Total USD		619 926 803	777 000 000
Chilean pesos (CLP)			
Santiago de Chile , Apoquindo 5400, Las Condes	Chile	44 990 329 000	57 616 002 000
Santiago de Chile , "Edificio Magdalena Norte", Magdalena 181, Las Condes	Chile	13 920 624 000	26 288 976 000
Total CLP		58 910 953 000	83 904 978 000
New Zealand dollar (NZD)			
Wellington , "Justice Centre", 19 Aitken Street, Mulgrave Street & Kat Sheppard Place, Thorndon	New Zealand	166 759 246	171 000 000
Total NZD		166 759 246	171 000 000

¹⁾ Non-annualized

* Property sold during the period under review

Projected rental income ¹⁾ in national currency	Rental losses ¹⁾		Gross income (net rental income) in national currency ¹⁾
	in national currency	as per centage	
212 825 424	–	–	212 825 424
360 442 708	15 764 792	4.37	344 677 916
62 157 849	742 764	1.19	61 415 085
467 894 641	43 355 400	9.27	424 539 241
254 149 258	5 472 780	2.15	248 676 478
242 221 824	9 178 745	3.79	233 043 079
1 599 691 704	74 514 481	4.66	1 525 177 223
501 321	–	–	501 321
2 323 907	272 274	11.72	2 051 633
5 571 110	–	–	5 571 110
2 050 445	852 612	41.58	1 197 833
1 382 213	2 200	0.16	1 380 013
4 066 345	–	–	4 066 345
1 992 270	–	–	1 992 270
4 091 148	134 572	3.29	3 956 576
1 780 514	8 705	0.49	1 771 809
4 106 969	43 927	1.07	4 063 042
4 450 862	160 320	3.60	4 290 542
2 576 849	57 965	2.25	2 518 884
34 893 953	1 532 575	4.39	33 361 378
6 809 329	1 527 358	22.43	5 281 971
5 786 081	19 252	0.33	5 766 829
9 577 146	18 890	0.20	9 558 256
–	–	–	–
22 172 556	1 565 500	7.06	20 607 056
1 651 150	–	–	1 651 150
1 058 049	–	–	1 058 049
–	–	–	–
1 460 707	–	–	1 460 707
2 643 876	–	–	2 643 876
3 079 730	–	–	3 079 730
9 893 512	–	–	9 893 512
8 630 769	3 671 526	42.54	4 959 243
14 050 421	–	–	14 050 421
2 255 873	228 432	10.13	2 027 441
7 343 672	827 469	11.27	6 516 203
6 242 210	309 081	4.95	5 933 129
8 375 830	–	–	8 375 830
46 898 775	5 036 508	10.74	41 862 267
9 940 361	43 896	0.44	9 896 465
2 217 359	128 956	5.82	2 088 403
6 651 175	399 902	6.01	6 251 273
2 357 244	709 439	30.10	1 647 805
11 438 899	1 986 340	17.36	9 452 559
2 359 621	244 323	10.35	2 115 298
363 505	82 618	22.73	280 887
10 613 813	125 472	1.18	10 488 341
45 941 977	3 720 946	8.10	42 221 031
4 327 693 000	605 208 000	13.98	3 722 485 000
1 933 038 000	34 385 000	1.78	1 898 653 000
6 260 731 000	639 593 000	10.22	5 621 138 000
13 496 213	–	–	13 496 213
13 496 213	–	–	13 496 213

Notes to the audited Annual Report as at December 31, 2017

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 U.S. Securities Act of 1933 and/or the U.S. 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 14.

Note 3: Amendments to the fund contract as of March 27, 2017

The Swiss Financial Market Supervisory Authority FINMA issued an order on March 22, 2017 approving the amendments to the fund contract proposed by the management company and the custodian bank. These amendments entered into force on March 27, 2017. The publication in the Swiss Official Gazette of Commerce and Neue Zürcher Zeitung on February 28, 2017 reads as follows:

Notice to investors in

Credit Suisse 1a Immo PK

Contractual investment fund under Swiss law of the "Real estate funds" category for tax-exempt employee benefit pension funds and tax-exempt domestic social insurance and equalization funds

Credit Suisse Real Estate Fund Global

Contractual investment fund under Swiss law of the "Real estate funds" category with real estate investments exclusively outside Switzerland

Credit Suisse Real Estate Fund Green Property

Contractual investment fund under Swiss law of the "Real estate funds" category

Credit Suisse Real Estate Fund Hospitality

Contractual investment fund under Swiss law of the "Real estate funds" category

Credit Suisse Real Estate Fund International

Contractual investment fund under Swiss law of the "Real estate funds" category for qualified investors

Credit Suisse Real Estate Fund Interswiss

Contractual investment fund under Swiss law of the "Real estate funds" category

Credit Suisse Real Estate Fund LivingPlus

Contractual investment fund under Swiss law of the "Real estate funds" category

Credit Suisse Real Estate Fund LogisticsPlus

Contractual investment fund under Swiss law of the "Real estate funds" category for qualified investors

Credit Suisse Real Estate Fund Siat

Contractual investment fund under Swiss law of the "Real estate funds" category

concerning the amendment of the prospectus with integrated fund contract or the fund contract including appendix.

Assumption of the asset management function by Credit Suisse Asset Management (Switzerland) Ltd

As of November 2016, Credit Suisse Group adjusted its legal structure with the creation of Credit Suisse (Switzerland) Ltd as a new full-service Swiss bank. In a second stage, Credit Suisse Asset Management (Switzerland) Ltd is being established as a new Swiss asset management company headquartered in Zurich. The new company will be operated jointly by Credit Suisse AG and Credit Suisse (Switzerland) Ltd and – subject to authorization by the Swiss Financial Market Supervisory Authority (FINMA) – will hold a license as an asset manager for collective investment schemes under the Federal Act on Collective Investment Schemes (CISA) and under the supervision of FINMA.

Credit Suisse AG will transfer part of the asset management business to Credit Suisse Asset Management (Switzerland) Ltd by means of an asset transfer (via universal succession) in accordance with the Swiss Mergers Act. As part of the asset transfer, Credit Suisse Asset Management (Switzerland) Ltd will take over the function of asset manager for the above-mentioned investment funds as of the date of registration of the transfer of assets in the commercial register, which is due to take place at the end of the first quarter of 2017.

For the above investment funds, the assumption of the asset management function by Credit Suisse Asset Management (Switzerland) Ltd will be implemented by means of a corresponding amendment in the Prospectus with Integrated Fund Contract or in the Fund Contract with appendix.

In addition, for the above-mentioned investment funds the references to Credit Suisse AG in the provisions on the units and unit classes in the fund contract will, where appropriate, be adjusted or supplemented in light of the reorganized Group structure resulting from the transfer of assets.

In connection with the takeover of the asset management function by Credit Suisse Asset Management (Switzerland) Ltd, the following changes in particular will be made to the fund contracts:

- The asset manager will now be Credit Suisse Asset Management (Switzerland) Ltd, Zurich. (§ 1 prov. 4 of the fund contracts)
- Credit Suisse Real Estate Fund Global and Credit Suisse Real Estate Fund International: The execution of derivatives transactions has now been delegated to Credit Suisse (Switzerland) Ltd, which undertakes to ensure best execution via its trading platform. The Prospectus is being amended accordingly.

As the amendments to the relevant fund contracts are amendments which do not affect investors' rights or are of an exclusively formal nature, rights of objection are waived.

Subject to compliance with the provisions of the relevant fund contract, investors may request payment of their units in cash.

The transfer of the asset management function to Credit Suisse Asset Management (Switzerland) Ltd will be free of charge for investors.

The changes to the wording, the prospectus with integrated fund contract, the simplified prospectuses, and last year's annual and semi-annual reports – or, in the case of the Credit Suisse 1a Immo PK, the fund contract with appendix and last year's annual reports – may be obtained free of charge from the fund management company or from the custodian bank. In accordance with Art. 41 para. 1 and para. 2bis in conjunction with Art. 35a para. 1 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 FINMA to include the provisions pursuant to Art. 35a para. 1 lit. a–g CISO.

Zurich, February 28, 2017

The fund management company: Credit Suisse Funds AG, Zurich

Custodian bank: Credit Suisse (Switzerland) Ltd., Zurich

Valuation Report

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 valuation experts 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 co-ordination 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 valuation experts 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 December 31 of the 2017 financial year.

As at the closing date, the portfolio comprised 43 properties (including new additions and properties valued for the first time). Two properties were under construction. Since December 31, 2016, six purchases have been made and two properties have been sold.

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 Schemes Ordinance (CISO), as well as with the Guidelines of the Swiss Funds & Asset Management Association (SFAMA), and furthermore 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. Property under construction is 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. The valuation experts based their assessment on recent year's 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.

Result

As at December 31, 2017, the market value of the total portfolio is estimated by the experts at CHF 3 312.89 million (conversion from local currency into Swiss francs as at closing rate on December 31, 2017).

Compared to December 31, 2016 (CHF 2 837.03 million), the value of the total portfolio has increased by CHF 475.87 million or 16.77% (including exchange rate movements).

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 December 31, 2017, was 4.74%.

**Independence and
Confidentiality**

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

Zurich, December 31, 2017
Wüest Partner AG

Pascal Marazzi-de Lima

Gino Fiorentin

Report of the Audit Company

Short form report of the audit company for collective investment schemes to the Board of Directors of the Fund Management Company on the financial statements of

Credit Suisse Real Estate Fund International

Report of the audit company for collective investment schemes on the financial statements

As audit company for collective investment schemes, we have audited the financial statements of the investment fund Credit Suisse Real Estate Fund International which comprise the statement of net assets and the income statement, the statement of the appropriation of available earnings and the disclosure of the total costs as well as the supplemental disclosures in accordance with article 89 paragraph 1 lit. b–h and article 90 of the Swiss Collective Investment Schemes Act (CISA)¹ for the year ended 31 December 2017.

Responsibility of the Fund Management Company's Board of Directors

The Board of Directors of the Fund Management Company is responsible for the preparation of the financial statements in accordance with the requirements of the Swiss Collective Investment Schemes Act, the related ordinances as well as the sales prospectus with integrated fund contract. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors of the Fund Management Company is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Responsibility of the Audit Company for Collective Investment Schemes

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the existence and effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2017 comply with the Swiss Collective Investment Schemes Act, the related ordinances as well as the sales prospectus with integrated fund contract.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing as well as on independence according to the Auditor Oversight Act and that there are no circumstances incompatible with our independence.

KPMG AG

Astrid Keller
Licensed Audit Expert
Auditor in Charge

Stephan Artus
Licensed Audit Expert

Zurich, April 5, 2018

¹ Information on the investor base, the special features, the macroeconomic climate, the commercial property and investor market, the outlook, the real estate portfolio, the unit price performance, the structural breakdown by actual net rental income, the geographical distribution of the fund's properties and the regional breakdown by market value do not form part of the additional information within the meaning of Swiss Auditing Standards (SAS 720).



Credit Suisse Funds AG

Uetlibergstrasse 231 / SYSU 13
CH-8045 Zurich

Phone 044 332 58 08
Fax 044 337 20 82

www.credit-suisse.com/realestatefunds