

Zurich investment foundation

Real Estate Europe Direct

Real estate is an important element for successful investment. The low correlation with equity and bond markets substantially improves the risk/return ratio in a portfolio.

Your advantages at a glance

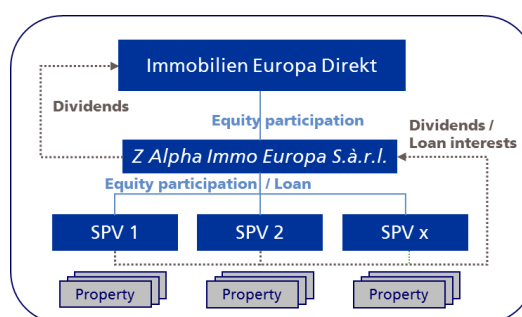
- **Direct investments in Europe – one of the world's largest real estate markets**
- **Access to a carefully selected range of properties in Europe's most promising major cities and towns**
- **Attractive and stable investment returns with the added bonus of international diversification**
- **Professional and consistent implementation of a well thought through product concept**
- **Innovative, transparent and cost-efficient structure**
- **The advantage of Schroders as an experienced and successful asset manager with a proven track record over many years and a local presence throughout the world**
- **Monitoring of the asset manager by Zurich Invest Ltd**

Investment universe

The investment group invests in real estate outside Switzerland and focuses on directly held commercial properties in Europe's most attractive real estate markets. The fund follows a «core» or «core+» investment strategy, oriented strictly towards clearly identified regions and property uses: more than 50 percent of its market value will be invested in the European core markets of Germany, France and the UK. Investments in the Nordic and Benelux countries further add to this profile. The fund will focus on quality properties in the retail and office sectors, supplemented by investments in logistics buildings.

Investment process

Investments are made via special purpose vehicles (SPVs). The Zurich Investment Foundation in turn holds the investments in a holding company under Luxembourg law. Investors may commit to provide capital in a specified amount which is drawn down as and when required, i.e. as soon as the asset manager is able to invest in real estate in line with the specified investment guidelines. Periodically, the local SPVs pass the generated profits, in the form of a dividend or as interest, back to the holding company, which in turn then distributes this income to Real Estate Europe Direct. In addition, available free capital can be passed to the fund in the form of equity or loans repayments.



Manager

Schroder Investment Management (Switzerland) AG

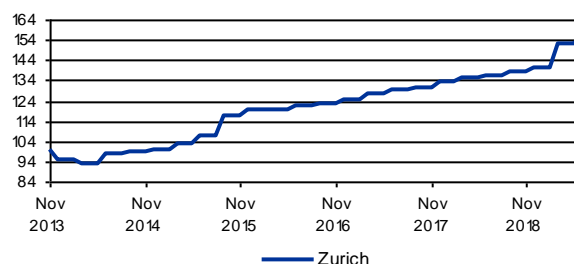
Schroders has more than CHF 280 billion in assets under management globally, making it one of the world's largest asset managers. With an extensive real estate network with around 100 specialists throughout Europe, Schroders has been managing real estate funds since 1971 with a total volume of currently more than CHF 14 billion.

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As of 30.06.2019

Performance (net of fees, indexed)



Key characteristics

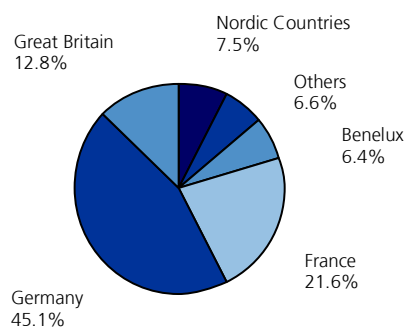
Manager	Schroders
ISIN	CH0183503272
Bloomberg Ticker	ZAIEUDP SW
Benchmark	No benchmark
First issue	12.2012
Financial year	1.1. - 31.12.
Currency	EUR
Risk currency	EUR
AuM (in mio.)	755.97
Net asset value	1,557.80
Management Fee	0.70%
TER (KGAST)	1.02%
Spread	Max 3.00%
Issue/Redemption	See prospect

For further information please visit: www.zurichinvest.ch

Utilisation structure (in %)

	Zurich
Office	52.50
Retail	27.16
Logistics	10.93
Others	9.41

Locations (in %)



Performance (net of fees in %, in EUR)

	Zurich	Benchmark
3 month	2.48	-
Current year	10.85	-
1 year p.a.	14.14	-
5 years p.a.	9.79	-
10 years p.a.	-	-
Since inception p.a.	8.26	-

Volatility (in %)

	Zurich	Benchmark
1 year p.a.	8.21	-
5 years p.a.	6.01	-
10 years p.a.	-	-
Since inception p.a.	6.63	-

KGAST key figures (in %)

	Zurich
Borrowing ratio	19.21
Dividend ratio	0.00
Fund operating expense ratio (TERisa)	0.95
Fund operating expense ratio (TERisa)	1.18
Operating profit margin (EBIT margin)	66.99
Payout ratio	0.00
Rent default rate	6.28
Return on equity (ROE)	10.85

* annualized TERisa figures

Currency exposure (in %)

	Zurich
SEK	5.73
EUR	81.49
GBP	12.78
USD	0.00
CHF	0.00

Risk figures for other time periods

	1 year p.a.	5 years p.a.	10 years p.a.	Since inception p.a.
Sharpe Ratio	1.82	1.74		1.34
Tracking Error p.a.				
Information Ratio				
Jensen's Alpha (in %)				

Overview performance (net of fees in %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019			8.16			2.48							10.85
2018			1.42			1.01			1.30			1.65	5.48
2017			1.97			1.36			1.00			2.46	6.95
2016			-0.08			1.44			0.87			2.06	4.34
2015			3.14			3.68			9.08			2.58	19.66
2014			-1.35			4.90			0.65			1.54	5.75
2013												-5.65	-5.65

¹ TER according to KGAST: The figure corresponds to the Total Expense Ratio (TER) from the last year and is no guarantee for a similar TER in the future.

² Spread: Settlement with an additional subscription or redemption charge (protection of the fund performance)

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