

Press Release

29 January 2014

Record earnings of more than CHF 20 million expected for fiscal year 2013

Frauenfeld, 29 January 2014 – Based on preliminary unaudited results, bfw liegenschaften ag (SIX Swiss Exchange: BLIN) expects record earnings for fiscal year 2013, amounting to earnings including effects from changes in fair value of real estate investments and deferred taxes of approximately CHF 20.3 million (previous year CHF 6.8 million). The increase in profit is mainly due to profits from the sale of properties, positive valuation effects in the fair value of the real estate portfolio and a positive effect in the fair value reflection of the interest rate swaps and receiver swaptions.

Net rental income remained almost unchanged compared to the previous year and amounted to CHF 19.5 million (previous year CHF 19.6 million). The non-recurring profit from the sale of four properties (in Eschlikon, Heerbrugg, Romanshorn and Rorschacherberg) amounted to CHF 6.5 million (previous year CHF 0.3 million). The total proceeds generated by the sale of these properties were about 15% above the DCF valuation as at 31 December 2012.

The valuation of the existing investment portfolio by KPMG, the independent real estate evaluator, resulted in positive changes in the fair value of real estate investments in an amount of CHF 2.1 million (previous year CHF 0.3 million). The increase in market values was mainly due to a slight reduction of the discount rate applied by the real estate evaluator, and due to the scheduled development of the new building projects.

Total operating expenses decreased to CHF 6.0 million (previous year CHF 6.7 million). The EBIT amounts to about CHF 22.2 million (previous year CHF 13.4 million).

As a result of the higher interest rate level as at 31 December 2013 compared to the previous year, the fair value reflection of the interest rate swaps and receiver swaptions led to a positive effect before taxes of CHF 6.3 million in the income statement (previous year CHF -0.6 million). In accordance with IAS 39, the interest rate swaps and receiver swaptions must be valued at their current fair value at each balance sheet date and changes in the fair value have to be reflected in the income statement. As the Company has already pointed out in the past, these fair value adjustments do not impact cash flow and do not affect the Company's operating effectiveness or its dividend policy at all.

Taking into account the fair value changes of the interest rate swaps and receiver swaptions, the earnings including effects from changes in fair value of real estate investments and deferred taxes will amount to approximately CHF 20.3 million (previous year CHF 6.8 million). Excluding the fair value changes in the interest rate swaps and receiver swaptions, the net earnings will be at a pleasing level of approximately CHF 15.1 million (previous year CHF 7.3 million).

bfw liegenschaften ag will publish the Annual Report 2013 and further information on its financial statements on 12 March 2014.

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Agenda:

12 March 2014
23 April 2014
10 September 2014

Publication Results Fiscal Year 2013 and Annual Report 2013
Ordinary General Meeting of Shareholders
Publication Results Half-Year 2014 and Half-Year Report 2014

Information on bfw liegenschaften ag

www.bfwliegenschaften.ch

bfw liegenschaften ag is a real-estate company with headquarters in Frauenfeld in the canton of Thurgau, Switzerland. It focuses on attractive residential properties in commuting areas close to business centres in the German-speaking part of Switzerland. The registered A shares of bfw liegenschaften ag are listed on the SIX Swiss Exchange (Symbol BLIN, Securities Number 1820611, ISIN Number CH 001 820 6117).

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