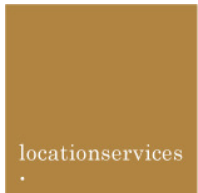


LOCATION SERVICES RESEARCH

Swiss Retail Market Report 2006



Switzerland among highest rents and turnovers world-wide

Rue de la Croix D' Or, which is specified as the most expensive retail street of **Geneva**, is actually only one part of the whole street - together with **Rue du Marché**, **Rue de la Confédération** and **Rue de Rive** as well as the parallel street and world wide known luxury pitch of Geneva - **Rue du Rhône**. Here Geneva presents itself as very rich metropolitan city in the mini format. In August 2006 Louis Vuitton opened its new flagship store at Rue du Rhône 33 on more than 700 square meters. The former L.V. store is now occupied by Omega. Swatch took over the former fashion store Club at Rue du Marché 40 and Fendi will open its first Swiss boutique at Rue du Rhône 62. Gucci doubles its space at Rue du Rhône 92 on the first floor. Retail rents are also reaching € 4,400 a year per square meter. Recently a building was sold for € 25 million, which results in a square meter price of € 48,000. Along to Rue de la Croix D' Or plots with altogether over 5,000 square meters line up, arise a value of more than € 250 million. In **Neuchâtel** shopping center **La Maladière** opened in one of the EURO 2008 football stadiums with 22,000 square meters selling space.

Zurich Main Station receives daily traffic of over 320,000 travellers and generates the highest turnovers per square meter of all shopping centers (see box below). Based on this, Zurich's **Bahnhofstrasse** is the most visited prime location in Switzerland. Here international chains stocked with accessory, fashion, beauty or other daily demand products, are making their highest profits worldwide - measured by turnover per square meter. Retail rents reached a high of over € 4,470 a year per sqm (based on a 100 sqm store and a shop front of 6 meters). In summer 2007 Apple plans to open its first continental European retail store in addition to its openings in Paris and Rome. In April 2007 Bonita will open its Swiss flagship store in the former traditional Leder Locher shop. IWC Schaffhausen took over Weill Jewellery and Louis Vuitton changed into the Grieder building. The former L.V. store was taken over through Burberry.

Sihlcity, the new shopping and entertaining centre (43,000 sqm selling space) in the south of the Zurich will open on March 22nd 2007 and is expected to attract 30'000 visitors daily, also with a 4 point Sheraton, cinemas, discotheque and other attractions. Switzerland's largest shopping centre **Shoppi-Tivoli**, newly designed and with a total area of over 75,000 sqm, will open on November 1st 2007 in Spreitenbach with a new connecting mall between Shoppi and Tivoli. Tivoli will later be completely refurbished and is expected to re-open in 2009 with an incomparable mix of tenants.

Westside shopping center in **Bern**, designed by Daniel Libeskind, started after long years of planning with construction works (opening 8th Oct 2008). The high streets **Marktgasse** and **Spitalgasse** belong to the same Monopoly category as **Freie Strasse** in **Basel**, where young fashion retailer New Yorker took over the former UBS main hall and is now represented on approx. 1,200 sqm with one of its most prestigious flagship stores. Esprit is also represented in the Füglistaller building and represents one of its most famous flagship store worldwide. In both cities retail rents climbed up to € 3,870 per square metre.

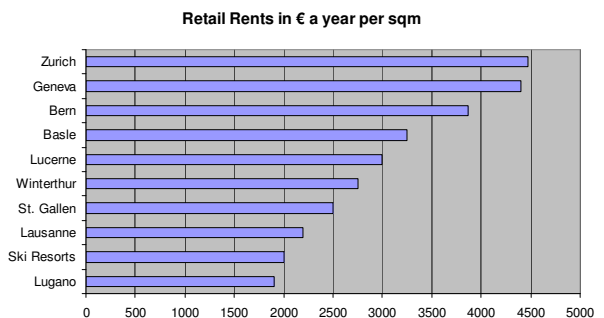
Retail rents in **Lucerne**, **Winterthur** and **St. Gallen** are reaching approximately € 2,750 a year per sqm. In St. Gallen the new EURO 2008 football stadium is combined with a shopping center, including IKEA. Foot Locker opened its first Swiss store at the beginning of 2006 in Lucerne at Weggisgasse. Vögele Mode opened a new flagship store at Untertor in Winterthur and Metro Boutique took over the former C&A house at Multergasse in St. Gallen. New leases in **Aarau**, **Chur** and **Zug** are currently closed at € 1,250 per sqm.

Lugano's famous street **Via Nassa** and **Via Pessina** tends the luxury watchmaker shops, jewellerys and boutiques. The last

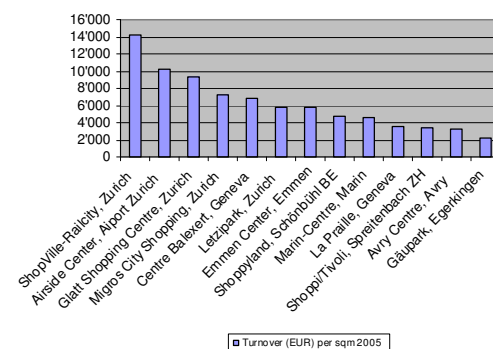
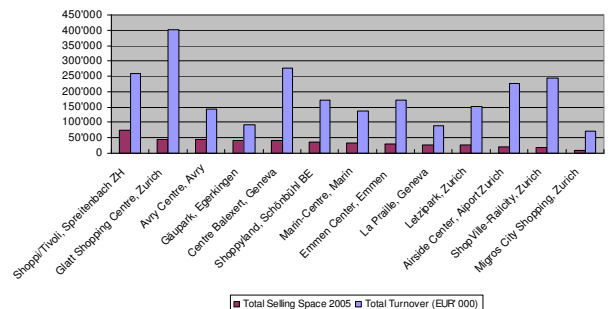
luxury brand who opened at **Via Nassa** was **Hermès** at the end of November 2006. Retail rents at this prime street are reaching € 1,900 a year per sqm per year. **Locarno** and **Ascona** are well-known tourism destinations, where the most well known retail brands are located at Piazza Grande in Locarno and at via San Pietro in Ascona. **Varese** and **Como** are the centers in the Italian part of this region with dense economic ties and high dynamism as part of the Lombardy area with Milan as its center. The very successful fashion outlet **Fox Town** is located there close to the Italian boarder

The **Swiss Alpine Resorts** remain attractive for international visitors. At the trendy, elegant and exclusive high street **via Serlas** in **St. Moritz**, Nespresso opened one of its most famous flagship boutiques. Luxury brands like Dolce & Gabbana, Gianni Versace, Gucci, Jil Sander, Loro Piana, Cartier, Chopard, Prada, Giorgio Armani and Bvlgari are also represented at this world-wide known street. But not only this place offers these luxury brands in the Alps, also in **Arosa**, **Crans-Montana**, **Davos**, **Gstaad** or **Zermatt** most of this brands are represented. The retail rents at these locations are € 2,000 a year per sqm. Also in Gstaad **Hermès** opened at the end of December its 10th boutique in Switzerland.

High Street Comparison



Shopping Center Comparison



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