

BPT HANSA LUX SICAV-SIF

QUARTERLY FUND REPORT Q2 2017

SUMMARY

- NAV increased to EUR 114.43 per share
- Occupancy rate stable at 97.6%
- Direct property yield (DPY) stable at 5.7%

COMMENTARY

BPT Hansa SICAV-SIF is a direct real estate fund investing in commercial properties in Northern Germany, mainly Berlin. The fund is designed for institutional investors, German and international, and should be seen as a long-term investment product.

ACTIVITIES OVER THE QUARTER

During Q2 2017 the NAV has increased from EUR 113.48 (31 March 2017) to EUR 114.43 (30 June 2017) which results in 0.84% fund level return. The operating profit June YTD 2017 amounted to EUR 1.307 thousand and was above the budget by EUR 19 thousand, mainly due to higher than budgeted rental income in Bessemer.

The average funds occupancy remained stable at 97.6% in Q2 2017 compared to Q1 2017. The net rental income amounted to EUR 860 thousand in Q2 2017 and was above the budget by EUR 20 thousand.

The average direct property yield has not changed compared to Q1 2017 and stayed at 5.7% in Q2 2017. This is slightly above the budget (5.5%).

The Hamburg property showed again a very satisfying direct property yield of 7.4%, which is in line with the budget (7.4%).

The Dahlem direct property yield slightly increased to 4.4% and is in line with the budget (4.4%). The turnover of the hotel operator is showing again a significant increasing trend during the second quarter. In Q2 2017, an increasing interest was noticed for the remaining vacant space of 611 sq. m. The Freie University of Berlin-Dahlem has a strong need for additional space for their "E-Examination-Center" and the Fund started the negotiations with the potential tenant.

Fund performance

NAV per share (IFRS)	EUR 114.43
Latest dividend per unit (2015 Q4)	EUR 3.0
Total return since inception	23.3%
Return since inception annualised	2.2%

Portfolio

Number of properties	4
Average gross property value	EUR 15.2m
Occupancy ratio (quarter average)	97.6%

Fund facts

Fund inception (as of the first NAV)	January 2008
Expected exit	2023
Status	Closed-end
Target share capital	EUR 100.0m
Total share capital	EUR 24.3m
Net asset value	EUR 27.9m
Investment capacity	EUR 300.0m
Gross property value	EUR 60.8m
Gross asset value (GAV)	EUR 64.1m
Total cash and cash equivalents	EUR 1.1m
Loans	EUR 33.9m
Loan to value	55.7%
Interest coverage	175.1%

Top 5 holdings

Hechtgraben Campus Hotel	Other/Hotel	Berlin
Bessemerstrasse	Office	Berlin
Wärtsilä	Office/Industrial	Hamburg
Walsroder Strasse	Office	Hanover
Weight of total gross value		100%

Top 5 holdings based on gross property value.

Fees

Management fee	0.75% p.a. of GAV of the portfolio
Acquisition fee	0.3% of the total acquisition sum
Incentive fee	20% above a hurdle rate of 7% RoE
Subscription fee	max. 1.95% (depending on size)

The occupancy rate of Bessemerstraße property remained stable at 99.7% in Q2 2017. The direct property yield slightly decreased from 8.3% in Q1 2017 to 8.0% in Q2 2017. However, the property performance is still above the budget (7.6%).

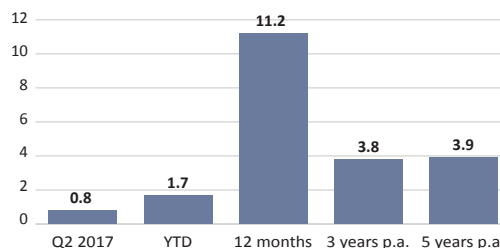
The Walsroder Strasse property continues to have 100% occupancy (office space). The direct property yield decreased as expected to 6.6% (Q1 2017: 6.9%) and is above the budget (6.3%).

MARKET OUTLOOK

After a growth of 1.7% in 2016, the German economy started booming in the year 2017 (+0.5%). The German commercial investment market reached approx. EUR 26 billion transaction volume during 1H 2017 (+41% on a year-to-year comparison), which is the highest performance of the past 10 years. Investors' demand is still robust, driven by a solid economic environment, low interest rates and increasing rents. The government is projecting for Germany an ongoing stable GDP growth of 1.5% for 2017 and forecasts 1.7% in 2018. Private consumption is increasing too, boosted by the positive trend of the labor market.

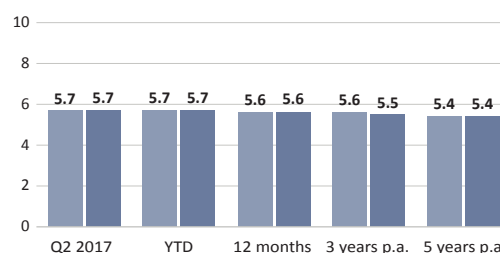
Germany has indeed experienced a strong rise in employment during the last years. Currently, slightly more than 44 million people are employed. The total unemployment level is steadily decreasing and showed in June 2017 a level of 5.5% (from 6.0% in March 2017). In addition, total workforce should increase by 1 million people in both 2017 and 2018. Q2 2017 showed an average rate of 1.6% increase in consumer prices compared to Q2 2016, in line with the change of previous quarter. The expected annual inflation for 2017 is in line with this level.

Total Fund Return



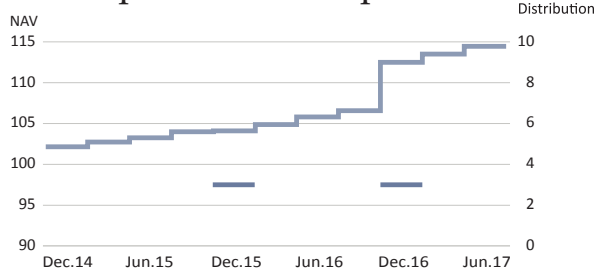
Total fund return is calculated as NAV-to-NAV taking into account distributed dividend and net capital invested for the year

Net initial yield (NIY) p.a. and direct property yield (DPY) p.a.



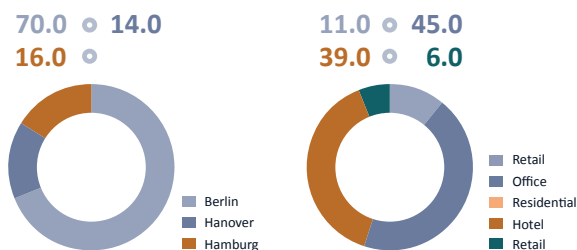
NIY (light blue) is calculated as the net operating income divided by gross property value annualized. DPY (dark blue) is calculated as the net operating income divided by the acquisition costs annualized.

Development in NAV per share



Development in NAV (light blue) is excluding reinvested dividends. Historical dividends (dark blue) will be shown at the time they are deducted from the NAV per share.

Allocation in percent



Allocation is calculated based on gross property value.

FUND MANAGER



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