Q4 2011

BPT Hansa Lux SICAV-SIF Quarterly Fund Report


Dahlem Campus Hotel, Berlin

- **NOI in the line with budget**
- **Occupancy stable at 99%**
- **Direct property yield increased to 5.3%**
- **NAV nearly stable at EUR 100.95 per share**

COMMENTARY

BPT Hansa Lux SICAV-SIF is a direct real estate fund, designed for German and non-domestic institutional investors.

FINANCIAL RESULTS FOR THE YEAR 2011

Coming from a negative net result of EUR -0.2m in 2010 (affected by a one-time and extraordinary write-off of EUR 0.59m due to a necessary settlement with the lease guarantor of Berlin Dahlem), the Fund shows a net profit of EUR 0.15m in 2011. The net operating income for the year 2011 with EUR 3.2m is slightly below the 2010 result (EUR 3.3m) and exceeds the budget by 2.2%. Compared to 2010, the NAV slightly increased to EUR 100.95 (from EUR 99.35) per share. The direct property yield for the entire year 2011 decreased by 0.1% to 5.4%. The yearend fair values of the portfolio consisting of 4 investment properties has remained stable at EUR 59.3m (2010: EUR 59.4m), despite a slight decrease of the Berlin-Dahlem property.

ACTIVITIES OVER THE QUARTER

The net rental income in Q4 2011 with EUR 0.8m was in the line with the budget. The average direct property yield in Q4 increased again to 5.3% after a decrease due temporary effect to 4.9% in Q3. It is expected to increase again to 5.8% for the entire year 2012. As in the quarters before, the occupancy of the Fund was stable at exceptional 99% (the remainder being some minor vacant archive space). The gross value of the investment properties of the entire fund is nearly unchanged at EUR 59.3m.

The Hamburg-Wärtsilä property direct property yield is showing again 6.8% and is in the line with the budget.

In the Dahlem Campus property the negotiations with the Seminaris Group for an expansion of approx. 450 sq. m. are still in progress. The discussions for the remaining 500 sq. m. with a private university are encouraging promising as well. Only as a temporary result of a lower income from the rental guarantee caused by the settlement with the lease guarantor (cf. QFR Q2 and Q4 2010), the direct

Fund performance	
NAV per share	EUR 100.95
Latest dividend per share	EUR 0.0
Total fund return since inception	0.96%
Fund return since inception annualised	0.24%

Portfolio	
Number of properties	4
Average gross property value	EUR 14.8 m
Occupancy ratio (quarter average)	98.9%

Fund facts	
Fund inception (as of the first NAV)	January 2008
Expected exit	2022
Status	Closed-end
Target share capital	EUR 100m
Total share capital	EUR 24.3m
Net asset value (total equity)	EUR 24.6m
Investment capacity	EUR 300m
Gross property value	EUR 59.3m
Gross asset value (GAV)	EUR 61.6m
Total cash and cash equivalents	EUR 2.0m
Loans	EUR 36.0m
Loan to value	60.6%
Interest coverage	117.01%

All figures in this QFR are preliminary un-audited results

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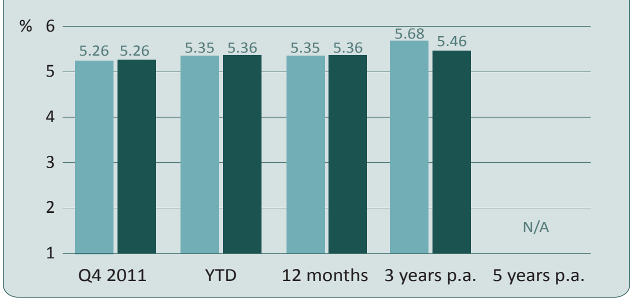
Total Fund Return

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 green) is calculated as the net operating income divided by the acquisition costs annualized.

property yield decreased as expected to 3.9% in Q3 and as well in Q4. Starting in Q1 2012 the agreed lease guarantee is fully valid. This will affect a significant increase of the DPY back to approx. 5.4% over the year 2012.

The occupancy of the property Weinmeisterstrasse is furthermore at high level of 99%. Rent free time for the prolongation of the lease contracts for the retail area was straight lined over lease term and in Q4 higher income were received for recharged expenses, thus the direct property yield increased significant to 6.4% (from 5.9% in Q3) and is 0.5pp above budget.

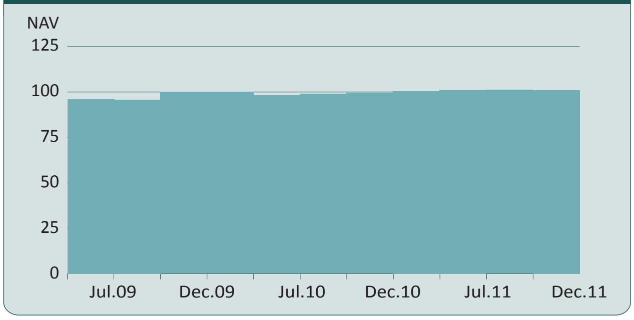
The Hanover property Walsroder Strasse occupancy is at 100%. With beginning of two new leases over the year the rental income and income for recharged expenses increased significantly. The performance increased as well. Additionally, the fit out costs were planned to reduce rental income, while actually were capitalized. As a result the direct property yield in Q4 rose up to 7.8% (from 6.0% in Q3) and is 2.4pp above budget.

MARKET OUTLOOK

Despite the European and world economic climate has cooled down, German economy keeps expanding with a growth of 3.0% in 2011. The domestic economy became the main driver for the domestic growth. For 2012 the government is projecting a lower growth in GDP of 0.7%. The continuously improving of the labour market is providing a significant support for private income and an increase of private consumption. The 41.1m people employed is the highest level noted ever. The total unemployment level reached its lowest level since 20 years. The unemployment rate decreased to 7.1%. The consumer prices showed an average rise of 2.3%.

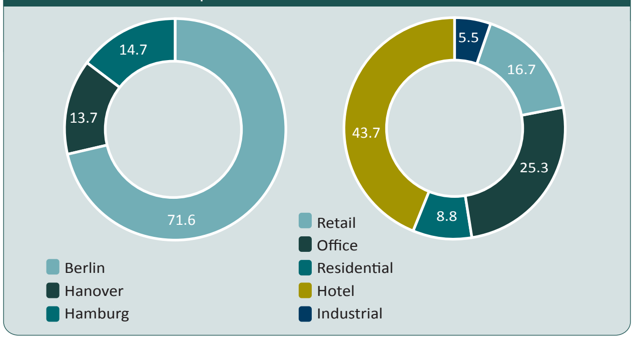
Despite the sovereign debt crisis in the Euro zone the German investment market has proven as one of the most stable and secure investment markets worldwide. With EUR 5.8bn Q4 shows a slightly higher turnover than Q3. The 2011 total turnover of EUR 22.6bn is 18% higher than the 2011 result and the best result since the boom years 2006/2007. The 2012 turnover is expected on a similar level. Foreign investors are sharing more than a third of the turnover. Approx. 47% is related to the retail sector, 36% to the office sector. Frankfurt (EUR 2.89bn), Munich (EUR 2.85bn), Berlin (EUR 2.2bn) and Hamburg (EUR 2.1bn) are the cities with the highest turnover. As a result of risk minimizing investment strategies, prime yields remained stable on the level of previous year.

Development in NAV per share



Development in NAV (light blue) is excluding reinvested dividends. Historical dividends (none so far) will be shown at the time they are deducted from the NAV per share.

Current allocation in percent



Allocation is calculated based on gross property value.

Top 5 holdings

Hechtgraben Campus Hotel	Other/Hotel	Berlin
Weinmeisterstrasse	Office/Retail/Residential	Berlin
Wärtsilä	Office/Industrial	Hamburg
Walsroder Strasse	Office	Hanover
There are currently four holdings in the fund		

Top 5 holdings is 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)