

Q1 2011

BPT Hansa Lux SICAV-SIF Quarterly Fund Report



Wärtsilä Office and Factory Building, Hamburg

- Direct property yield stable at 5.64%
- Occupancy stable at 99%
- Increase of NAV from EUR 99.35 to EUR 100.34 per share

COMMENTARY

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

ACTIVITIES OVER THE QUARTER

The net rental income at the end of Q1 amounted to EUR 0.84m which is 10 % over budget. The average direct property yield for Q1 is stable at 5.64 % (Q4 2010: 5.66%). Since letting 100% of the office space in Walroder Strasse in Q4 2010, the occupancy of the entire Fund is at an exceptional 99%, the remainder being some minor vacant archive space.

The Hamburg-Wärtsilä property once again shows an excellent performance. The direct property yield of 6.9% exceeded the budget by 0.1pp.

In the Dahlem Campus property the negotiations with the Seminaris Group for an additional expansion of approx. 450 sq. m. are in progress. Additional, there are discussions for the remaining space 500 sq. m. with potential attractive operators. Currently an opportunity for alternative use as a boarding house concept is in assessment. The direct property yield with 5.3% is 0.9pp above budget.

Due to normal changes in the residential apartments, the Weinmeisterstrasse property showed an occupancy of 96%. It decreased slightly to 5.8% and is marginally below budget (5.9%).

Fund Performance

NAV per share	EUR 100.34
Latest dividend per share	EUR 0.0
Expected IRR for new commitments	8.5%
Total fund return since inception	0.35%
Return since inception annualised	0.11%

Portfolio

Number of properties	4
Average gross property value	EUR 14.9m
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 100.0m
Total share capital	EUR 24.3m
Net asset value (total equity)	EUR 24.4m
Investment capacity	EUR 300m
Gross property value	EUR 59.4m
Gross asset value (GAV)	EUR 61.8m
Total cash and cash equivalents	EUR 2.1m
Loans	EUR 36.2m
Loan to value	60.9%
Interest coverage	125.6%

Contacts

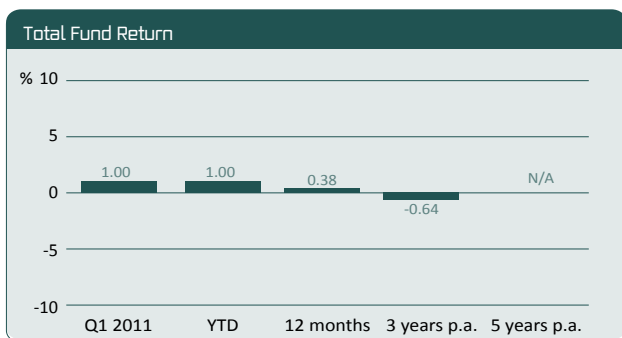


Fund Manager Georg Haider
 Email: gh@bptam.com
 Direct tel. +49 30 20 21 59 886

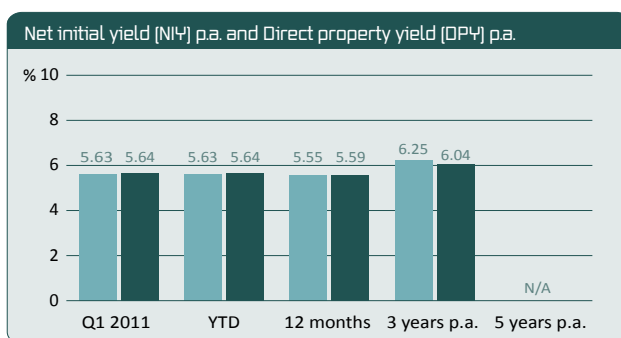


Fund Manager Barbara Bendix
 Email: bb@bptam.com
 Direct tel. +49 30 20 21 59 884





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

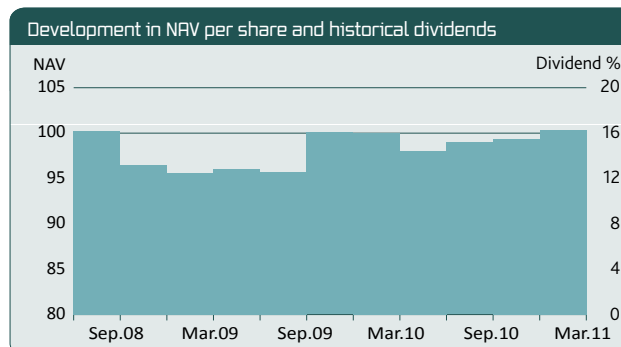


NIY (light blue) is calculated as the net operating income divided by gross property value annualized. DPY (dark green) is calculated as the net operating income divided by the acquisition costs annualized.

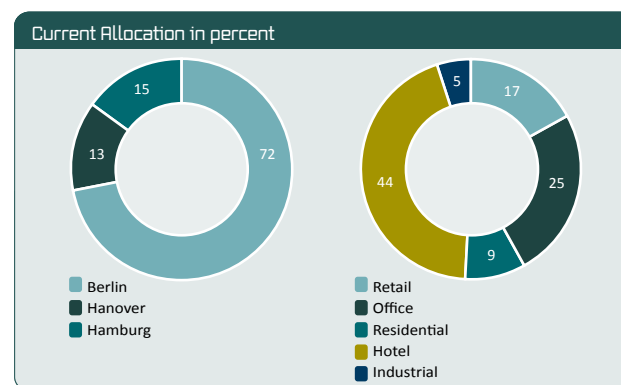
The Hanover property, Walsroder Strasse, is 100% let since the end of 2010. The lease agreement with the well known health insurance Group, DAK, started in February. The performance of Walsroder Strasse increased significantly to 5.5% compared with 4.1% in the previous quarter. Currently the planning phase of the refurbishment for a dental clinic is in its final stages.

MARKET OUTLOOK

After a record growth of 3.6% in 2010, the German economy grew by 1.5% in Q1 2011. Compared to Q1 2010 this means a growth of 5.2%. Several economic institutions have raised the forecasts for the expected growth for 2011 to over 3%. The domestic demand made up 60% of the GDP in the first three months; and it becomes more and more the decisive drive of the economy. The upswing in employment as a result of the strong growth of the economy is continuing. The unemployment rate decreased further to 7.6%, equivalent to 3.21 m, which is on the lowest level since the reunification.



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



Allocation is calculated based on gross property value.

The further positive economic outlook in combination with growing rents leads to a high demand for investments in the German market. The investment turnover of approx. EUR 5.5 bn in the first quarter of 2011 is 18% higher than in Q1 2010. More than 65% (EUR 3.7 bn) of the turnover was made in the retail segment. EUR 0.8 bn were invested in the office segment. The proportion of foreign investors is at 50% of the transaction volume. The city with the highest turnover (EUR 443 m) was Berlin. As a result of a continued high demand, prime yields further decreased in some segments. Prime yields for office are stable, except a 0.1 pp decline in Berlin to 5.2%. Prime retail yields declined by 0.1pp. For 2011 a total turnover of approx. EUR 20 bn is expected.

Property Name	Segment	City
Hechtgraben Campus Hotel	Other/Hotel	Berlin
Weinmeisterstrasse	Office/Retail/Residential	Berlin
Walsroder Strasse	Office	Hanover
Wärtsilä	Office/Industrial	Hamburg

There are currently four holdings in the fund

Top 5 holdings is based on gross property value.

Management fee	0.75% pa.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%

For professional use only. Assumptions, figures, and calculations contained in this publication are intended to be indicative only. This publication is not a formal offering and will not form part of any contract with Baltic Property Trust Asset Management A/S (BPTAM) or any third party. No responsibility is accepted by BPTAM for any errors that may be contained in this document, or for any loss occasioned through the reliance on this document. © 2011 BPTAM. No part of this publication may be reproduced by any means without prior written authorization from BPTAM.

