



Walsroderstrasse, Hannover, Germany

BPT Hansa Lux SICAV-SIF Q1 2008

Dear BPT Hansa Lux shareholder,

We are pleased to present you the first fund report of BPT Hansa Lux, which will focus on the history of BPT Hansa Lux, the fund's preliminary results for 2007 and key events.

Macro economic outlook

Local market conditions have become significantly more investor friendly since end of 2007. Attractive off-market transactions are frequently offered at yields exceeding our benchmarks.

In combination with the very attractive economic data, Germany is back as the European powerhouse. In fact Germany surprised in the first quarter of 2008 with a GDP growth rate of 1.5%, which is twice the EU average GDP growth of 0.75%. This growth is due to an extraordinary export and real investment volume and the low unemployment rate of 8%, which will result in a raise of the private consumption in Germany in 2008.

Bond Conversion

The launch of the fund has been a two-phase process beginning at the end of 2006 with the inception of BPT Hansa Lux S.A. and its issuance of convertible bonds to interested investors. In December 2007 BPT Asset Management got the official approval of the real estate investment fund BPT Hansa Lux SICAV-SIF by the Commission de Surveillance du Secteur Financier ("CSSF"). The bonds could then be transferred into shares with an unaudited NAV of 100. The final audit report will be issued in June 2008.

Investment Activity

Throughout 2007 we invested nearly 100% of the raised equity. We bought two properties and one campus development. The net operating income from our two current properties reached EUR 0.85 million in 2007 corresponding to an average net yield of 6.9%, which was above market yield.

In January 2007, BPT Hansa purchased its first building in Hannover as an asset deal. It was acquired at an initial yield of 6.6%. The property, located in Walsroderstrasse, with 5,488 sqm of space is currently fully let thanks to a rental guarantee in place for the remainder of 2008. The effective vacancy rate of the office space is approx. 10% and due to the positive development of the Hannover market chances are good for letting further space in the upcoming months. Currently the building is yielding 7.4 %.

The second investment, Weinmeisterstrasse in Berlin, was structured as a forward funding transaction. The shares of the company were bought at the beginning of April 2007 while the building was still under construction. By completion at the end of July it was signed over by the developer. Within 8 months the whole office, retail and residential space of 3.034 sqm has been let, creating a current yield of 6.45%.

In July 2007, BPT Hansa entered into its third investment; a high-profiled development project in Berlin. With the purchase of the "Seminaris Campushotel Berlin" BPT entered into a private-public-partnership with the Freie Universität Berlin and Seminaris, a lead-

ing operating company in the German conference market, to build a state-of-the-art campus facility. The property of 17.765 sqm will be completed in spring 2009 and is already 100% let, due to a rental guarantee. At the moment 90% of the space is effectively rented. On the 15th of May the topping out ceremony took place. Berlin's Senatorin für Stadtentwicklung Ms. Junge-Reyer was one of the key speakers. She pointed out, that this campus facility is very important for the development of the science centre Berlin.

With very flexible investment conditions in place, BPT Hansa has a good opportunity to focus on other optimal niche products, which are in line with the PPM. At the moment we are working on a new transaction in Hamburg, which is planned to be closed during June.

Yours truly
Andrea Jost, FRICS
Fund manager



Key Financial Data and Ratios for Baltic Property Trust Hansa Lux SICAV-SIF 31st of December 2007 - non-audited

| (EUR '000) | 31st December 2007 |
|--|--------------------|
| Rental income | 867 |
| Expense reimbursement | 121 |
| Operating expenses | (134) |
| Net rental income | 854 |
| Fair value adjustments | 205 |
| Goodwill impairment | (22) |
| Other income | 280 |
| Other costs | (9) |
| Overheads | (312) |
| Management fee | (94) |
| Net operating profit before financing | 902 |
| Net financing costs (incl. forex) | (781) |
| Taxes | (63) |
| Net profit | 58 |
| Minority interest | (27) |
| Net profit for the period | 31 |
| Yield | 6.9% |
| Occupation ratio YTD | 100% |
| Net Asset Value (NAV) | 100 |

Balance Sheet for Baltic Property Trust Hansa Lux SICAV-SIF 31st of December 2007 – non-audited

| Assets | (EUR '000) |
|---|---------------|
| Investment properties | 17,500 |
| Advances, projects in progress | 9,702 |
| Other non-current assets (including intangible) | 933 |
| Other receivable and prepayments | 635 |
| Cash | 7,088 |
| Total | 35,858 |
| Liabilities and shareholders equity | |
| Share capital | 17,848 |
| Retained earnings / other reserves | 0 |
| Minority interest | 987 |
| Loans | 11,695 |
| Deferred income tax liability | 63 |
| Other non-current liabilities | 62 |
| Other liabilities/ payables | 5,203 |
| Total | 35,858 |

About Baltic Property Trust

Established in 2001, Baltic Property Trust (BPT) is one of the largest institutional investor in commercial real estate in the Baltic Sea region with a total investment capacity in excess of EUR 1 billion. Our aim is to be a first-choice real estate partner by means of strong local presence, regional experience and financial excellence. BPT currently has five institutional real estate funds under management: BPT Secura A/S, BPT Optima S.A., SICAR, BPT Arista S.A. SICAV-SIF, BPT Hansa Lux SICAV-SIF and BPT Nordic. BPT is headquartered in Copenhagen (Denmark) with local offices in Estonia, Latvia, Lithuania, Poland, Russia and Germany.