BPT Hansa Lux SICAV-SIF

Annual Report and Consolidated Group Accounts 2009

Registered address
20, Boulevard Emmanuel Servais
L-2535 Luxembourg.
Luxembourg

Registration Number
R.C.S. Luxembourg: B-122 072

Board of Directors
Dr. Claus Löwe (Chairman)
Lars Ohnemus
Alain Heinz
Dr. Peter Schmidt zur Nedden
Patrick Reuter

BPT Hansa LUX SICAV-SIF

SOCIÉTÉ D'INVESTISSEMENT À CAPITAL VARIABLE

Consolidated Financial Statements
For the year ended 31 December 2009

and

Independent Auditor's Report

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the latest annual and the most recent semi-annual report, if published thereafter.

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Management Statement

Today the Board of Directors have reviewed and adopted the 2009 consolidated financial statements of BPT Hansa Lux SICAV-SIF.

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards. We consider the applied policies to be appropriate so that the consolidated financial statements provide a true and fair view of the consolidated assets, liabilities and the financial position as of 31 December 2009 of BPT Hansa Lux SICAV-SIF activities and consolidated cash flows during the financial year 2009.

We recommend that the consolidated financial statements are approved at the annual general meeting of shareholders.

21 April 2010

BOARD OF DIRECTORS

Dr. Claus Löwe (Chairman)

Lars Ohnemus

Alain Heinz

Dr. Peter Schmidt zur Nedden

Patrick Reuter

Independent Auditor's report

To the Shareholders of BPT Hansa Lux SICAV-SIF
Luxembourg

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDING DECEMBER 31, 2009

Following our appointment by the General Meeting of the Shareholders, we have audited the accompanying consolidated financial statements of BPT Hansa Lux SICAV-SIF (the "Fund"), which comprise the balance sheet as at December 31, 2009, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing; implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

SCOPE OF THE AUDIT

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the judgement of the "réviseur d'entreprises", including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the "réviseur d'entreprises" considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

Our audit also includes obtaining sufficient evidence that for the assets acquired, the risk and rewards of ownership have duly transferred to the Fund.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of BPT Hansa Lux SICAV-SIF as of December 31, 2009, and of its consolidate financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

ERNST & YOUNG
Société Anonyme
Réviseur d'entreprises

Michael HORNSBY
Luxembourg April 21, 2010

Management Review

PRINCIPLE ACTIVITIES AND REVIEW OF BUSINESS

BPT Hansa Lux SICAV-SIF (hereinafter “the Fund” or “BPT Hansa”) has completed its second full year of operations and the Fund’s total gross asset value (GAV) added up to EUR 63,0m at the end of 2009 (2008: EUR 57,2m). Due to the worldwide financial crisis no new equity could be raised and the Fund is in fact behind its planned investment program for the year 2009. The Fund is still in line with the investment program as described in the private placement memorandum (PPM). However, as German institutional investors re-entering the German real estate market, the Board of Directors (the “Board”) has approved a new fund raising strategy with the objective to open the Fund for German institutional investors and adjusted the investment capacity of the Fund down to EUR 300m. This realignment process of the by-laws and the PPM of the Fund is in the preliminary phase with approval by the CSSF and the shareholders still to be obtained.

BPT Hansa has almost invested all of the capital as at 31 December 2009, with the total invested capital amounting to EUR 24,3m at year end. In March 2009 the Dahlem Campus Hotel has been turned over to the hotel operator Seminaris, who has already requested for additional space to rent. In March 2010 the managing director of the Dahlem Cube property company (responsible for the construction period until March 2010) – has been replaced and the day-to-day management has been taken over by the fund management company in Germany. After handing over the Hamburg-Wärtsilä property to the tenant it is fully operating, the final installation of extensive technical equipment has been completed and has been finalized below budget.

As a result of the ongoing professional management of the properties and the finalization of the constructions of the two aforementioned developments, the year end fair values of the portfolio consisting of 4 investment properties have remained stable throughout the global financial crisis and have increased up to a consolidated amount of EUR 59,2m (2008: EUR 52,6m).

Since resignation of the previous fund manager at the end of September 2009, the fund management has been taken over by the fund management team consisting of Georg Haider and Barbara Bendix. These two individuals have worked extensively with the Fund over the last couple of years and have a broad experience in the German real estate market. This is why they have been fully supported and unanimously approved by the Board of Directors in 2009.

The operating performance of the Fund remained stable and during the 2009 the NAV has increased from EUR 96,42 to EUR 100,02, this is mainly as a result of upward property revaluation equal to EUR 1,1m (2008: downwards revaluation of EUR 0,4m). The increase is also due to the new fund management team, that was able to reduce the overheads of the Fund quite significantly.

Coming from a negative net result of EUR – 0,5m in 2008, the Fund shows a net profit of EUR 1,0m at the end of 2009, this corresponds to the finalization of the developments followed by an increase of the rental income and a also includes the positive value adjustment of investment property of EUR 1m. The entire portfolio was jointly appraised by two independent valuators (BulwienGesa Valuation GmbH - RICS accredited - and Dr.-Ing. Egbert Krellmann – publicly appointed and sworn expert). The average (unweighted) capitalization rate applied to the valuation of BPT Hansa’s portfolio remained unchanged compared to 2008.

In its second year the Fund has returned a 3,7% average annual return on investment to shareholders.

The Fund’s loan portfolio increased from EUR 30,2m in 2008 to EUR 37,0m in 2009, this increase is due to the final costs financed through debt calls for the finalization of the construction of Wärtsilä and Dahlem Cube.

The loan to value ratio of the Fund was 62,6% as at 31 December 2009 (2008: 57,4%). The Fund's general loan strategy is to have a selected number of strong and trustworthy banks as financing partners with focus on long-term credit facilities. The Fund maintains its current relationships with its financing partners by taking a pro-active approach in cooperating with the banks, especially in the financial crisis environment when banks are increasing their focus on risk management and the performance of their existing loan portfolios. Good working relationships with financing partners are very important for BPT Hansa as it ensures the possibility to concentrate on the management of its investment properties and other operational issues.

At the end of 2009 net rental yields averaged 5,4% for the entire portfolio which is below the budget yields of the Fund, this was mainly due to a increase in vacancy rates and additional fit out costs for a new letting in Walsroderstrasse and back payments of the lease guarantor in Dahlem Cube. The net operating income of the Fund is EUR 2,5m for the 2009 and is expected to increase during 2010 due to expected new lettings in Walsroderstrasse. The average occupancy of the Fund's properties was 92,8% (2008: 98,7%) at the end of 2009.

The Funds weighted remaining non-breakable lease term for properties in use stood at approx. 14 years at the end of 2009.

The average net rental yield for the year was higher than budgeted in Hamburg (6,9%), in line with the budget in Weinmeisterstrasse (5,9%), below budget in Berlin-Dahlem (5,2%) and below budget in Hanover (4,1%).

The composition of the Board of Directors of the Fund has remained un-changed during 2009.

FUTURE DEVELOPMENTS

During 2010, the Fund will concentrate on the following two strategic objectives:

- Focus on the composition and performance of the current property portfolio,
- Raising additional new equity from existing shareholders and with new German institutional investors in order to enlarge the existing portfolio quickly and to be fully invested by end of 2011 within the new target investment capacity of EUR 300,0m.

MACRO-ECONOMIC FACTORS

As a result of the global financial crisis that begun at the end of 2008, the German market showed a decline of -5% in property values in 2009. The German economy showed the first signs of a recovery in the third quarter of 2009. A growth of +0,7% in Q3 was the strongest growth since early 2008. Although this recovery slowed down in the 4th quarter of 2009, the economy continues to recover in 2010. In the fourth quarter the GDP stagnated compared to the previous quarter (+0,0%). While foreign trade delivered a positive momentum, there was a decline in consumer spending and investment.

Table: Main macro-economic indicators for Germany

Germany	2007	2008	2009	2010 E	2011 E
GDP at Market Prices (EUR bn)	2.423	2.496	2.407	2.471	2.554
Real GDP Growth (%, YOY)	2,2	1,3	-5,0	1,5	2,0
Government Balance (% of GDP)	-0,2	0,0	-3,3	-5,2	-4,8
Consumer Price Inflation(%)	2,3	2,6	0,4	0,8	1,5
Unemployed rate (%)	8,7	7,5	7,9	8,3	8,7
Population (million)	82,2	82,0	81,9	81,5	81,5

Sources: Statistisches Bundesamt, Deutsche Bundesbank, Bundesagentur für Arbeit, 2010 und 2011(except population): prognosis of HWWI

For 2010 the increase of the GDP by 1,5% is expected by leading economic institutions, for 2011 a further growth of 2% is predicated. But the GPD level before crisis will first be reached in 2012.
Consumption in 2009 increased only by 1,4% and is expected to increase less than 1% in 2010 due to a clear restraint in private consumption. An increase in private consumption is expected first in 2012 by 2,4%.

The positive stimulus to the economy is provided by foreign trade. At a total decrease in exports by approx. 16% in 2009 the last quarter showed a growth by 5,1%. For 2010 and 2011 the growth is expected with 8,2 and 8,9%. The developing of the economy affected private and business confidence.

The credit conditions became less tight again for investors with an equity ratio of more than 30%. The tendency of such investors to purchase core-products may have an influence to the availability of products in the market, which BPT Hansa is specialized in.

FINANCIAL INSTRUMENTS AND STRATEGY

In connection with investments, the Fund takes out loans with long-term fixed interest rates. The PPM allows the Fund also to use hedging techniques designed to protect the Fund against adverse movements in interest rates. There is only one case that interest rate exposure is hedged with an interest rate swap that will run until 2012.

RISKS AND OPPORTUNITIES

– Interest rate. Due to the fact that there were no new loans in 2009, the average loan costs including margin of BPT Hansa are at approximately the same level as in 2008, i.e. 5,34% (2008: 5,27%). Typically interest rate risk is fixed for the whole loan term, i.e. for 10 years.

– Tenant debtors. Payment discipline was at approx. 94% in 2009, mainly due to outstanding payments of the lease guarantor for the Dahlem Cube. As a result of the economic downturn in 2009 an increase of bad debt in 2010 could be possible. This risk is mitigated in most cases by emphasizing rent securities with tenants and guarantors.

– Lease expiry profile. Lease expiry terms for BPT Hansa are calculated on the basis of the average remaining lease term per property. Average remaining lease term per property is calculated by taking rent-weighted average of months left before the tenants can legally and unilaterally terminate existing lease agreements. Rent-weighted average remaining lease term for all BPT Hansa properties is approximately 14 years and provides the Fund with vital income stability throughout turbulent next years to come.

PROPERTY REPORT

Berlin

The property portfolio of the Fund in Berlin is valued at EUR 42,8m at the end of 2009. The increase of 9,5% over the period of 12 months is mostly related to the finishing of the construction process of the development in Berlin Dahlem and slightly to an increase of the standard ground value in Weinmeisterstrasse.

The Dahlem Cube

The Dahlem Campus Hotel development in Berlin was completed in March 2009. Based on the first 9 months of activity and based on the normal operating activity the hotel is matching our expectations. In the beginning of the year approx. 200 sq. m. have been leased out, so the factual vacant retail space was decreased to approx. 1.150 sq.m. The hotel operator is asking for further space for an extension in the retail space and negotiations with several possible tenants for the remaining space looks promising. Due to the initial lease and lease gap guarantees of the vendor, the total occupancy rate is 100%. Due to the old managing director being replaced, the guarantor is late with some payments. BPT is currently in ongoing and positive settlement-negotiations with the guarantor. If necessary, legal consultation will be obtained to ensure collection or a settlement can be fixed.
The fair value of the property is slightly higher than the acquisition price.

Weinmeisterstrasse

A few changes in the residential tenants lead to a marginal change in the occupancy rate of the property. In 2009 the occupancy rate remained high at 100 % for office and retail and at 90,3 % for residential space. The investment performed stable with a reasonable net rental yield of 5,9%, which is in line with the planned yield for 2009. The property value increased slightly at the end of 2009.

Hamburg

The Hamburg portfolio consists of one property at the end of the year.

Wärtsilä

The extension of the Wärtsilä headquarters was the second development of BPT Hansa. The property, consisting of office and retail space, was finished at the end of April 2009. After handing over the property to Wärtsilä, the tenant started with the installation of extensive technical equipment and was fully operating in the 3rd quarter of 2009. The final construction costs of the property are lower than the budget costs. When the Fund entered into this investment a direct property yield after construction between 6,0%-6,3% was expected. The realized direct property yield for 2009 came in at 6,9%. The lease agreement with Wärtsilä Deutschland GmbH has duration of 20 years. The fair value of the property is slightly higher than the acquisition price.

Hannover-Langenhagen

The Hannover portfolio consists also of one property at the end of the year.

Walsroderstrasse

The value of the property remained stable at EUR 7,8m. The operating result is mainly influenced by vacancy in the property. Vacancy in the beginning of the year was approx. 1.600 sq. m. or 9%. 148 sq. m. of the vacant space were let to a general agency of a big insurance group, so the vacancy will be reduced to 1.452 sq. m. Final negotiations with a dental clinic are expected to be completed early 2010, this will result in approx. 670 sq. m. (46%) of the currently available space being leased. Management will continue marketing the remaining space during 2010.

Consolidated Statement of Comprehensive Income

For the years ended 31 December 2009 And 31 December 2008

’000 Euro	Notes	2009	2008
Rental income		3.052	1.511
Cost of rental activities	4	(531)	(225)
Profit from property operating activities		**2.521**	**1.286**
Administrative expenses	5	(926)	(745)
Fund custodian fees		(102)	(102)
Fund expenses		**(1.028)**	**(847)**
Other operating income		108	-
Other operating expenses		(57)	(51)
Gross valuation gains on investment properties	9	1.056	26
Gross losses on investment properties	9	-	(450)
Net operating profit/(loss) before financing		**2.600**	**(36)**
Financial income	6	6	146
Financial expenses	7	(1.645)	(641)
Net financing costs		**(1.639)**	**(495)**
Profit before tax		**961**	**(531)**
Income tax charge	8	(2)	(14)
Net profit for the year		**959**	**(545)**
Basic and diluted earnings/(losses) per share (Euro)	15	3,9	(2,4)
Net loss on cash flow hedge		(81)	(327)
Income tax		-	-
		(81)	**(327)**
Other comprehensive loss for the period, net of tax		**(81)**	**(327)**
Total comprehensive income/(losses) for the period, net of tax		**878**	**(872)**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2009 And 31 December 2008

'000 Euro	Notes	2009	2008
Non-current assets			
Investment properties	9	59.211	17.080
Investment property under construction	11	-	35.485
Deferred tax asset	8	-	73
Total non-current assets		**59.211**	**52.638**
Current assets			
Trade and other receivables	12	787	1.075
Prepaid income tax		-	-
Cash and cash equivalents	13	2.867	3.454
Total current assets		**3.654**	**4.529**
Total assets		**62.865**	**57.167**
Equity			
Capital	14a	24.348	24.348
Cash flow hedge valuation reserve	14b	(408)	(327)
Retained earnings		414	(545)
Total equity		**24.354**	**23.476**
Liabilities			
Non-current liabilities			
Debts to banks, non-current portion	16	36.453	29.975
Deferred tax liability	8	-	112
Hedging instruments	23	408	327
Other non-current liabilities		66	-
Total non-current liabilities		**36.927**	**30.414**
Current liabilities			
Trade payables	17	258	1.391
Debts to banks, current portion	16	559	197
Bank overdraft		-	181
Income tax payable		-	-
Other current liabilities	18	767	1.508
Total current liabilities		**1.584**	**3.277**
Total liabilities		**38.511**	**33.691**
Total equity and liabilities		**62.865**	**57.167**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the years ended 31 December 2009 And 31 December 2008

'000 Euro	Capital	Cash flow hedge revaluation reserve	Retained earnings	Total equity
Balance at 1 January 2008	**17.848**	**-**	**-**	**17.848**
Net profit for the period	-	-	(545)	(545)
Other comprehensive income	-	(327)	-	(327)
Total comprehensive income	**-**	**(327)**	**(545)**	**(872)**
Capital increase	6.500	-	-	6.500
Balance at 31 December 2008	**24.348**	**(327)**	**(545)**	**23.476**
Net profit for the period	-	-	959	959
Other comprehensive income	-	(81)	-	(81)
Total comprehensive income	**-**	**(81)**	**959**	**878**
Balance at 31 December 2009	**24.348**	**(408)**	**414**	**24.354**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

As at 31 December 2009 And 31 December 2008

’000 Euro	Notes	2009	2008
Profit before tax		**961**	**(531)**
Adjustments for non cash items:			
Value adjustment of investment properties, net	9	(1.056)	424
Interest income	6	(6)	(146)
Amortized loan administration fees		25	-
Change in allowance for bad debts	12	196	-
Interest expenses	7	1.645	641
Working capital adjustments:			
(Increase)/decrease in trade and other accounts receivables		92	(476)
Increase/(decrease) in other non-current liabilities		65	(62)
Increase/(decrease) in trade and other accounts payable		(1.131)	1.050
Increase/(decrease) in other current liabilities		(734)	849
Paid income tax		(42)	(16)
Net cash generated by operating activity		**15**	**1.733**
Cash flow from investing activities			
Interest received		6	146
Purchase of a subsidiaries, net of cash acquired	10	-	(24)
Purchase of investment properties under construction	11	(5.590)	(25.462)
Purchase of investment properties	9	-	(4)
Net cash flow from investing activities		**(5.584)**	**(25.344)**
Cash flow from financing activities			
Proceed from bank loans	16	6.815	18.477
Interest paid		(1.652)	(1.181)
Shareholders contribution into share capital	14a	-	2.500
Net cash flow from financing activities		**5.163**	**19.796**
Increase in cash and cash equivalent		**(406)**	**(3.815)**
Cash and cash equivalent at the beginning of the period		**3.273**	**7.088**
Cash and cash equivalents at the end of the period	**13**	**2.867**	**3.273**

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

As at 31 December 2009 and December 2008

1. GENERAL INFORMATION

BPT Hansa Lux SICAV-SIF was incorporated in the Grand Duchy of Luxembourg on 23 October 2006 as a 'société anonyme' under the Luxembourg law on commercial companies dated 10 August 1915; amended and registered as a 'société d'investissement à Capital variable' ("SICAV-SIF") under the related law dated 13th February 2007.

The Articles of Incorporation (the "Articles") have been published on 26 January 2007 in the Memorial C, Recueil des Sociétés et Associations (the "Mémorial"). BPT Hansa Lux SICAV-SIF is registered at the Registre de Commerce, Luxembourg, under number B122.072.

BPT Hansa Lux SICAV-SIF was established for an undetermined period and may be dissolved by a resolution of the shareholders, subject to the quorum and majority requirements for the amendment of the Articles.

The Fund consists of BPT Hansa Lux SICAV-SIF and the subsidiaries disclosed in Note 25 (the "Fund").

BPT Hansa Lux SICAV-SIF is the ultimate parent and controlling entity. The exclusive object of BPT Hansa Lux SICAV-SIF is to invest in securities representing risk capital in order to provide its investors with the benefit of the result of the management of its assets in consideration of the risk with they incur. BPT Hansa Lux SICAV-SIF is offering an opportunity to invest in a diversified real estate investment fund focussing on the German real estate market.

The consolidated financial statements of the Fund for the period ended on 31 December 2009 were authorised for issue in accordance with a resolution of the Board of Directors of 21 April 2010. Those consolidated financial statements will be ratified by the general meeting of shareholders on 5 May 2010.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated in the following text.

Basis of preparation
The Fund's accounts have been prepared in accordance with the International Financial Reporting Standards (the 'IFRS') as adopted for use in the European Union.

The Fund has adopted the following new and amended IFRS and IFRIC interpretations during the year (adoption of these revised standards and interpretations did not have any effect on the financial performance or position of the Fund, they did, however, give rise to additional disclosures, including in some cases revisions to accounting):

- IFRS 2 Share-based Payment: Vesting Conditions and Cancellations effective 1 January 2009
- IFRS 2 Share-based Payment: Group Cash-settled Share-based Payment Transactions effective 1 January 2010 (early adopted)
- IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended) effective 1 July 2009 (early adopted) including consequential amendments to IFRS 7, IAS 21, IAS 28, IAS 31 and IAS 39
- IFRS 7 Financial Instruments: Disclosures effective 1 January 2009
- IFRS 8 Operating Segments effective 1 January 2009
- IAS 1 Presentation of Financial Statements effective 1 January 2009
- IAS 23 Borrowing Costs (Revised) effective 1 January 2009
- IAS 32 Financial Instruments: Presentation and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation effective 1 January 2009
- IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items effective 1 July 2009 (early adopted)
- IFRIC 9 Remeasurement of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement effective for periods ending on or after 30 June 2009
- IFRIC 13 Customer Loyalty Programmes effective 1 July 2008

- IFRIC 16 Hedges of a Net Investment in a Foreign Operation effective 1 October 2008
- IFRIC 18 Transfers of Assets from Customers effective 1 July 2009 (early adopted)
- Improvements to IFRSs (May 2008)
- Improvements to IFRSs (April 2009, early adopted)

IFRS 2 Share-based Payment (Revised)

The IASB issued an amendment to IFRS 2 which clarifies the definition of vesting conditions and prescribes the treatment for an award that is cancelled. The Fund adopted this amendment as of 1 January 2009. It did not have an impact on the financial position or performance of the Fund.

The IASB issued an amendment to IFRS 2 that clarified the scope and the accounting for group cash-settled share-based payment transactions. The Fund adopted this amendment as of 1 January 2009. It did not have an impact on the financial position or performance of the Fund.

IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)

Main changes to the existing standards refer to: (a) addition of an option to measure minority interests (now called 'non-controlling interests') at fair value; (b) recognition of goodwill for step acquisitions; (c) recognition of acquisition-related costs; (d) recognition of contingent consideration; (e) transactions with non-controlling interests which do not result in loss of control; (f) allocation of subsidiary's losses between controlling and non-controlling interests; (g) re-measurement of retained interest on loss of control of a subsidiary. The application of the revisions did not have a material impact on the consolidated financial statements at the date of adoption.

IFRS 7 Financial Instruments: Disclosures

The amended standard requires additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy, by class, for all financial instruments recognised at fair value. In addition, a reconciliation between the beginning and ending balance for level 3 fair value measurements is now required, as well as significant transfers between levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. The fair value measurement disclosures are presented in Note 22. The liquidity risk disclosures are not impacted by the amendments and are presented in Note 3.

IFRS 8 Operating Segments

IFRS 8 replaced IAS 14 Segment Reporting upon its effective date. The Fund concluded that the operating segments determined in accordance with IFRS 8 are the same as the business segments previously identified under IAS 14. The Fund does not disclose operating segments.

IAS 1 Presentation of Financial Statements

The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented in a reconciliation of each component of equity. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Fund has elected to present one single statement.

IAS 23 Borrowing Costs

The option in the current standard to expense borrowing costs to the statement of comprehensive income in case a qualifying asset has been eliminated. All borrowing costs must be capitalised if they are directly attributable to the acquisition or construction of a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. In accordance with the transitional requirements of the standard, the Fund has adopted this as a prospective change. Accordingly, borrowing costs are capitalised on qualifying assets with a commencement date after 1 January 2009. No changes will be made for borrowing costs incurred to this date that have been expensed.

IAS 32 Financial Instruments: Presentation and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation

The standards have been amended to allow a limited scope exception for puttable financial instruments to be classified as equity if they fulfil a number of specified criteria. The adoption of these amendments did not have any impact on the financial position or the performance of the Fund.

IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items

The amendment clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as a hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations. The Fund has concluded that the amendment will have no impact on the financial position or performance of the Fund, as the Fund has not entered into any such hedges.

IAS 40 Investment Property

Property under construction or development for future use as an investment property is classified as investment property at fair value. Where fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed or the date at which fair value becomes reliably measurable. The adoption of these amendments did not have any impact on the financial position or the performance of the Fund.

IFRIC 9 Reassessment of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement

This amendment to IFRIC 9 requires an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. IAS 39 now states that if an embedded derivative cannot be reliably measured, the entire hybrid instrument must remain classified as at fair value through profit or loss. This Interpretation did not have any impact on Fund's consolidated financial statements at the date of adoption.

IFRIC 13 Customer Loyalty Programmes

IFRIC 13 requires customer loyalty credits to be accounted for as a separate component of the sales transaction in which they are granted. A portion of the fair value of the consideration received is allocated to the award credits and deferred. This is then recognised as revenue over the period that the award credits are redeemed. This Interpretation did not have any impact on Fund's consolidated financial statements at the date of adoption.

IFRIC 16 Hedges of a Net Investment in a Foreign Operation

The Interpretation is to be applied prospectively. IFRIC 16 provides guidance on the accounting for a hedge of a net investment. As such it provides guidance on identifying the foreign currency risks that qualify for hedge accounting in the hedge of a net investment, where within the group the hedging instruments can be held in the hedge of a net investment and how an entity should determine the amount of foreign currency gain or loss, relating to both the net investment and the hedging instrument, to be recycled on disposal of the net investment. This Interpretation did not have any impact on Fund's consolidated financial statements at the date of adoption.

IFRIC 18 Transfers of Assets from Customers effective 1 July 2009 (early adopted)

IFRIC 18 clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant, and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services (such as a supply of electricity, gas or water). In some cases, the entity receives cash from a customer that must be used only to acquire or construct the item of property, plant, and equipment in order to connect the customer to a network or provide the customer with ongoing access to a supply of goods or services (or to do both). This Interpretation did not have any impact on Fund's consolidated financial statements at the date of adoption.

Improvements to IFRSs

In May 2008 and April 2009 the IASB issued omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The adoption of the amendments did not have any impact on the accounting policies, financial position or performance of the Fund.

The significant accounting policies applied by the Fund are as follows:

2a. Presentation currency

The consolidated financial statements have been prepared in Euro (EUR), which is BPT Hansa Lux SICAV-SIF's functional and presentation currency.

Unless stated otherwise, all values are rounded to the nearest thousand of Euro. The consolidated financial statements are presented in thousand of Euro.

2b. Consolidated financial statements

The consolidated financial statements of the Fund include BPT Hansa Lux SICAV-SIF and subsidiaries (Note 25) of which BPT Hansa Lux SICAV-SIF directly or indirectly holds more than 50 percent of the voting rights or otherwise has controlling influence. The equity and net income attributable to non-controlling interests, if any, are shown separately in the consolidated statement of financial position and consolidated statement of comprehensive income.

The consolidated financial statements are prepared on the basis of financial statements of BPT Hansa Lux SICAV-SIF and its subsidiaries by consolidation of financial statements' items of a uniform nature. The financial statements used for consolidation have been prepared applying Fund's accounting policy.

Inter-company balances and transactions, including unrealised profits and losses, are eliminated in consolidation.

Companies acquired or sold during a year are included into the financial statements from the date BPT Hansa Lux SICAV-SIF obtains control to the date control ceases, respectively.

The purchase method is applied in the acquisition of new subsidiaries which qualify as business combination, under which the identifiable assets and liabilities and contingent liabilities of these companies are measured at fair value at the acquisition date. Cost of the acquired company consists of fair value of the paid consideration (cash or own shares). If the final determination of the consideration is conditioned by one or several future events, these are only recognised in cost if the relevant event is likely and the effect in cost can be calculated reliably. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, is recognised in accordance with IAS 39 either in profit or loss or as change to other comprehensive income. If the contingent consideration is classified as equity, it shall not be re-measured until it is finally settled within equity.

When the transaction has not been identified as being a business combination, the transaction has been accounted for an acquisition of individual assets and liabilities where the initial purchase consideration is allocated to the separate assets and liabilities acquired, based on their relative fair values.

Assets are recognised in the statement of financial position when it is probable that future economic benefits will flow to the Fund and the value of the assets can be measured reliably.

Liabilities are recognised in the statement of financial position when they are probable and can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each financial statement item below.

2c. Foreign currency translation

The functional currency of a subsidiary is determined with reference to the currency of the primary economic environment in which the entity generates and expends cash and raises finance. Transactions in other currencies than the functional currency are transactions in foreign currencies. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in such currencies are translated at the rate of exchange ruling at the reporting date.

The cumulative effect of exchange differences on cash transactions are classified as realised gains and losses in profit or loss in the period in which they are settled.

2d. Investment properties

Investment properties are real estate properties (land or a building – or part of a building- or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for the use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business.

Investment property is initially recorded at cost including costs directly resulting from the acquisition such as transfer taxes and legal fees. Costs, adding new or improved qualities to an investment property compared to the date of acquisition, and which thereby improve the future yield of the property, are added to cost as an improvement. Costs, which do not add new or improved qualities to an investment property, are expensed in profit or loss under operating expenses.

Under IAS 40, investment properties are valued to Fair Value, the fair value is determined by independent appraisers as being the estimated price at which the property could be exchanged at the date of the valuation between knowledgeable, willing parties in an arm's length transaction. Valuations are also undertaken on acquisitions and contributions in kind. Two independent valuators BulwienGesa Valuation GmbH and Dr.-Ing. Egbert Krellmann Grundstücksbewertungen (officially appointed and sworn valuator) have been appointed as appraisers of the Fund for the year 2009 (in 2008 – BulwienGesa Valuation GmbH and Catella Property Valuation GmbH Chartered Surveyors). Their valuations are prepared in accordance with the Practice Statements and Relevant Guidance Notes of the RICS Appraisal and Valuation and approved by both the International Valuation Standards Committee (IVSC) and by the European Group of Valuers' Association (TEGoVA) and by applying the methodology and valuation guidelines as set out by the Royal Institution of Chartered Surveyors in the United Kingdom and in accordance with IAS 40.

Valuations are prepared using the direct capitalization approach. Under the direct capitalization approach, the income and expenses of one year are stabilised and the net resulting operating income is capitalised at a capitalisation or return rate in proportion to the title to the subject property. Such income capitalisation considers the competitive return resulting from alternative instruments of investment into real estate or other property. This calculation excludes the effects of taxes and disposal costs borne by the seller, and is net of transaction costs normally borne by the purchaser. Depreciation is not provided on investment properties.

The fair value does not necessarily represent the liquidation value of the properties which would be dependent upon the price negotiated at the time net of selling costs. The fair value is largely based on estimates as described above which are inherently subjective.

The yield requirement (discount factor) is determined for each property.

Value adjustments are recognised in profit or loss under the items “Gross valuation gains on investment properties” and “Gross valuation (losses) on investment properties”.

2e. Investment properties under construction

Investment properties under construction are initially measured at cost. Cost comprises all costs directly allocable to the construction process and an appropriate share of overheads.

Until 31 December 2008 and as of that date, the investment properties were stated at costs. Since 1 January 2009, the official policy has been changed, and subsequent to initial recognition, investment properties under construction are stated at fair value. Where fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed or the date at which fair value becomes reliably measurable.
As of 31 December 2009 there were no investments properties under construction due to the projects being completed (refer to Note 11).
If investment properties under construction are sold, their carrying value is recognised as an expense in the year in which the related revenue is recognised.

2f. Accounts receivable

Receivables are measured at nominal value less allowances for doubtful debts, if any. The management assesses specific provisions on a customer by customer basis throughout the year.

2g. Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

2h. Derivative financial instruments

The Fund engages in interest rate swaps mainly for interest rate risk management purposes. Outstanding interest rate swaps are carried in the statement of financial position at the fair value. Fair value is derived from quoted market prices, or using the discounted cash flow method applying effective interest rate. The estimated fair values of these contracts are reported on a gross basis as financial assets for contracts having a positive fair value; and financial liabilities for contracts with a negative fair value. Contracts executed with the same counterparty under legally enforceable master netting agreements are presented on a net basis.

Gains or losses from changes in the fair value of outstanding interest rate swaps, which are not classified as hedging instruments, are recognised in profit or loss as they arise.

2i. Hedge accounting

The effectiveness of the hedge is assessed by comparing the value of the hedge item with the notional value implicit in the contractual terms of the financial instruments being used in the hedge.

For the purposes of hedge accounting, hedges are classified into two categories: (a) fair value hedges which hedge the exposure to changes in the fair value of a recognised asset or liability; and (b) cash flow hedges which hedge exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a forecasted transaction.

In relation to fair value hedges, which meet the conditions for hedge accounting, any gain or loss from re-measuring the hedging instrument to fair value is recognised immediately in profit or loss.

In relation to cash flow hedges, which meet the conditions for hedge accounting, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised initially in other comprehensive income and the ineffective portion is recognised in profit or loss. The gains or losses on effective cash flow hedges recognised initially in other comprehensive income are either transferred to profit or loss in the period in which the hedged transaction impacts profit or loss or included in the initial measurement of the cost of the related asset or liability.
For hedges, which do not qualify for hedge accounting, any gains or losses arising from changes in the fair value of the hedging instrument are taken directly to profit or loss for the period.

2j. Financial liabilities

Debts to banks and financial institutions are recognised on taking out the loan at the proceeds received less transaction costs incurred. Subsequently, these debts items are measured at amortised cost using the effective interest rate method.

The Fund classifies its financial liabilities as current when they are due to be settled within twelve months after reporting date, even if:

(i) the original term was for a period longer than twelve months; and
(ii) an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognising of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Borrowing costs are expensed as incurred.

2k. Other liabilities

Other liabilities, comprising payables to suppliers, guarantee deposits received from tenants and other payables, are measured at amortised cost using the effective interest rate method.

Deferred income is recognised under liabilities and includes received payments for future income.

2l. Financial assets

The Fund recognises financial assets on its statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the instrument.

Financial assets in the scope of IAS 39 are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Fund determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

All “regular way” purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention are recognised at trade date (the date that the Fund commits to purchase or sell the asset), otherwise such transactions are treated as derivatives until the settlement day.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

(i) the rights to receive cash flows from the asset have expired;
(ii) the Fund has transferred its rights to receive cash flows from the asset, or retained the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; and
(iii) the Fund either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2m. Contingent liabilities

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognised in the financial statements but disclosed when an inflow or economic benefits is possible.

2n. Subsequent events

Post-reporting date events that provide additional information about the Fund’s position at the reporting date (adjusting events) are reflected in the financial statements. Post-reporting date events that are not adjusting events are disclosed in the notes when material.

2o. Rental income

The Fund leases its buildings to customers under agreements that are classified as operating lease.

Rental income represents rents charged to customers and is recognised on a straight line basis, net of any sales taxes, over the lease period to the first break option.

Expense reimbursement income are recognised on gross basis and included in profit or loss when the company is not acting as agent on behalf of third parties and charging the commissions for the collections. Otherwise, revenue is the commissions.

2p. Expenses recognition

Expenses are accounted for an accrual basis. Expenses are charged to profit or loss, except for those incurred in the acquisition of an investment property which are capitalised as part of the cost of investment and costs incurred to acquire borrowings (Note 2j). Operating expenses comprise costs incurred to earn rental revenue during the financial year to cover operations and maintenance of the own properties.

2q. Administrative expenses

Administrative expenses include costs and expenses which were incurred for the management of the investment properties and the Fund during the year.

2r. Current taxation

The consolidated subsidiaries of the Fund are subject to taxation in the countries in which they operate. Current taxation is provided for at the applicable current rates on the respective taxable profits.

2s. Deferred taxation

Deferred income tax is provided using the liability method on temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

ii) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilised except:

i) where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss; and

ii) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised. Unrecognised deferred income tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when an asset is realised or the liability settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2t. Significant accounting judgments, estimates and assumptions

The preparation of the Fund's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgments

The preparation of the Fund's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Business combinations

The Fund has acquired subsidiaries that own properties. When the acquisition of a subsidiary does not represent "an integrated set of activities and assets" in accordance with IFRS 3, the acquisition of the subsidiary is accounted for as an asset acquisition. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill and deferred tax resulting from the allocation of the cost of acquisition is recognised. The Fund will account for the acquisition as a business combination where an integrated set of activities is acquired in addition to the properties. The following items are considered as minimum indicators of business combination:

- Several items of land and buildings.
- Existence of ancillary services to tenants (e.g. maintenance, cleaning, security, bookkeeping etc).
- Existence of employees to have processes in operation (including all relevant administration such as invoicing, cash collection, provision of management information to the entity's owners and tenant information).
- Management of the investment properties is complex process.

Classification of investment property

The Fund determines whether a property qualifies as investment property. Investment in property mainly comprises the investment in land and buildings in the form of offices, commercial warehouse, retail for residential properties which are not occupied substantially for use by, or in the operations of, the Fund, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation by leasing to third parties under long term operating leases.

Operating lease contracts – Fund as lessor

Leases in which substantially all risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight line basis over the period of the lease.

Deferred tax

The Fund is subject to income and capital gains taxes in numerous jurisdictions. Significant judgment is required in determining the total provision for income and deferred taxes. There are many transactions and calculations for which the ultimate tax determination and timing of payment is uncertain during the ordinary course of business. In particular, the effective tax rate applicable on the temporary differences on investment properties depends on the way and timing the investment property will be disposed of. The Fund recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income and deferred tax provisions in the period in which the determination is made.

Estimates and assumptions

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Revaluation of investment properties

The Fund carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Fund engaged independent valuation specialist to determine fair value as at 31 December 2009. The valuator used a valuation technique based on a direct capitalization approach as there is a lack of comparable market data because of the nature of the property. The determined fair value of the investment properties is the most sensitive to the estimated yield. The key assumptions used to determine the fair value of the investment property, are further explained in Note 9.

Investment properties under construction

Since 1 January 2009, the investment properties under construction are measured at fair value. Such measurement involves significant judgement, and, where the fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed or the date at which fair value becomes reliably measurable.

Until 31 December 2008 and as of that date the investment properties under construction were stated at cost.

In 2009 the investment properties were completed (refer to Note 11 for details) and there were no investment properties under construction as of 31 December 2009.

3. THE FUND RISK MANAGEMENT POLICY

3a. Risk relating to investment in real estate

Investment in real estate is subject to varying degrees of risk. The main factors which affect value of investment include:

- (i) changes in the general economic climate;
- (ii) conditions in the market in which invested real estate operate;
- (iii) government regulations and taxation;
- (iiii) availability of investment opportunities in real estate.

To address these risks the Fund is subject to the following investment restrictions that is described in more detail in the Fund's PPM:

- (i) None of the shareholders is allowed to hold directly or indirectly more than 25% of the shares of the Fund;
- (ii) In any case, no investor may hold less than EUR 125.000 of subscribed capital in the Fund;
- (iii) Following the investment period no more than 15% of the final Fund's GAV will be invested in any single real estate property. Also the ten largest investments may not be more than 50% of the final Fund's GAV. The Fund will not invest more than 30% of its NAV in a real estate company.

3b. Credit risk

The Fund's procedures are in force to ensure on a permanent basis that properties are leased to customers with an appropriate credit history and do not exceed an acceptable credit exposure limit. Major acquisition and project finance credit risks are minimised by sharing these risks with banks and insurance companies. Credit risks related to the placement of liquid funds and to trading in financial instruments (counterparty credit risks) are minimised by making agreements only with the most reputable domestic and international banks and financial institutions.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, if any, in the statement of financial position. Consequently, the Fund considers that its maximum exposure is reflected by the amount of trade receivables, net of allowance for doubtful accounts recognised at the reporting date.

There are no significant concentrations of credit risk within the Fund.

3c. Interest rate risk

The Fund is exposed to interest rate risk primarily through market value changes to the net debt portfolio (price risk) and also through changes in interest rates. Fluctuations in interest rates affect the interest expense. As the Fund's income is not directly correlated with the level of interest rates, there is the risk management policy to synchronize the interest cost with the earnings and to hedge the long-term loans to a fixed rate for their whole life. This converts floating rate liabilities to fixed rate liabilities. In order to achieve this, the Fund either takes fixed rate loans or swaps floating for fixed interest payments (Note 22b).

At 31 December 2009 and 2008, after taking into account the effect of interest rate swaps, 100% of the Fund's borrowings are at fixed interest rate.

The following table demonstrates the interest rate swap sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Fund's equity. There is no impact on the Fund's profit before tax.

’000 Euro	Increase/ decrease in basis points	Effect on equity
2009	+100	148
	-100	(148)
2008	+100	199
	-100	(199)

3d. Liquidity risk

The investments made by the Fund will be illiquid in nature. The ability of the Fund to liquidate its investments at attractive prices at appropriate times will depend on a number of factors that may be outside of the control of the management. The Fund’s management reviews the liquidity of the assets held within the Fund based on current market conditions on a regular basis.

The Fund’s objectives are to maintain a balance between continuity of funding and flexibility through the use of bank loans. None of Fund’s borrowings will mature in less than one year at 31 December 2009 (2008: 4,7%) based on the carrying value of borrowings reflected in the financial statements. The table below summarises the maturity profile of Fund’s financial liabilities at 31 December 2009 and 2008.

’000 Euro	On demand	Less than 1 year	1-5 years	>5 years	Total
Year ended 31 December 2009					
Interest bearing loans and borrowings*	-	2.378	10.836	39.990	**53.204**
Trade and other payables	-	258	-	-	**258**
Other liabilities	-	243	-	-	**243**
Total current and non-current	**-**	**2.879**	**10.836**	**39.990**	**53.705**
Year ended 31 December 2008					
Interest bearing loans and borrowings*	270	2.036	10.741	36.241	**49.288**
Trade and other payables	-	1.391	-	-	**1.391**
Other liabilities	-	92	-	-	**92**
Total current and non-current	**270**	**3.519**	**10.741**	**36.241**	**50.771**

*Includes interest expense for the same period.

3e. Foreign exchange risk

The Fund holds assets denominated in the Euro, its functional currency. The Fund is therefore has no risk from movements in exchange rates of other currencies against Euro.

3f. Capital management

The Fund monitors capital using gearing ratio, which is borrowing divided by total paid in capital plus borrowings. The Fund’s target gearing ratio is maximum 70% that should be reached when the Fund is fully invested.

’000 Euro	2009	2008
Debts to bank	37.012	30.172
Total borrowings	**37.012**	**30.172**
Total paid in capital	24.348	24.348
Total borrowings and paid in capital	**61.360**	**54.520**
Gearing ratio	**60,3%**	**55,3%**

4. COST OF RENTAL ACTIVITIES

'000 Euro	2009	2008
Bad debt allowances	196	-
Repair and maintenance	113	53
Utilities	105	84
Real estate taxes	45	35
Property insurance	38	10
Property management expenses	29	43
Other costs	5	-
Total cost of rental activities	**531**	**225**

5. ADMINISTRATIVE EXPENSES

'000 Euro	2009	2008
Management fee	358	132
Board fees and other Board related expenses	171	162
External consultant expenses	397	424
Other	-	27
Total	**926**	**745**

BPT Asset Management GmbH is entitled to a base management fee equivalent to a percentage of the value of the Fund's investment in real estate. A quarterly management fee is based on the investment properties GAV at the end of each calendar quarter and charged 0,75% of the GAV per annum of the real estate portfolio.

6. FINANCIAL INCOME

Financial income in 2009 amounts to EUR 6 thousand (2008: EUR 146 thousand) and represents interest income that was earned mainly on loan notes and cash balances on current bank accounts.

7. FINANCIAL EXPENSES

Financial expenses in 2009 amount to EUR 1.645 thousand (2008: EUR 641 thousand) and represent interest expenses mainly related to liabilities to banks (Note 16).

8. INCOME TAX

BPT Hansa Lux SICAV-SIF is subject to an income tax (corporate income tax and municipal business tax) at the global rate of 29,63% (2008: 29,63%). However, BPT Hansa Lux SICAV-SIF can exempt from its tax base all investment income or capital gains attributable to securities.

Real estate revenues, or capital gains derived from real estate are subject to taxes by assessment in the countries where real estate is situated. The Fund's subsidiaries depreciate their historical property cost in accordance with applicable tax regulations. Depreciation is deducted from taxable profits in determining current taxable income.

The major components of income tax for the years ended 31 December 2009 and 2008 are:

'000 Euro	**2009**	**2008**
Consolidated statement of comprehensive income		
Current income tax:		
Tax on taxable income for the year	41	38
Adjustment of deferred tax for the year	(39)	(24)
Income tax expense reported in the statement of comprehensive income	**2**	**14**

Deferred income tax as at 31 December 2009 and 2008 relates to following:

	Consolidated statement of financial position		**Consolidated statement of comprehensive income**	
'000 Euro	**2009**	**2008**	**2009**	**2008**
Deferred tax liability				
Revaluation of investment properties to fair value	(174)	(112)	(62)	(49)
	(174)	(112)	(62)	(49)
Deferred tax assets				
Tax losses brought forward	174	7	167	7
Revaluation of investment properties to fair value	-	66	(66)	66
	174	73	101	73
Deferred income tax expenses/(income)				
Deferred income tax liability, net	**-**	**(39)**	**39**	**24**
Reflected in the statement of financial position as follows				
Deferred tax assets	174	73		
Deferred tax liability	(174)	(112)		
Deferred income tax liability, net	**-**	**(39)**		

The Fund has offset the deferred tax asset and liability, as the Fund has a legally enforceable right to set off current tax assets against current tax liabilities of Fund's property entities.

The tax losses incurred by Luxembourg entities were not recognised at 31 December 2009 as the Fund does not expect to have taxable profit in Luxembourg and to utilise losses. The unrecognised tax losses at 31 December 2009 amounted to EUR 964 thousand (2008: EUR 932 thousand).

The reconciliation between tax expense and accounting profit for the years ended 31 December 2009 and 2008 is as follows:

'000 Euro	**2009**	**2008**
Profit before income tax	961	(531)
At weighted average statutory tax rate	89	(49)
Non deductible expenses	(145)	(64)
Non –taxable income	95	99
Adjustments related to previous year	(41)	-
Total income tax expenses	**(2)**	**(14)**

Summary of taxation rates by country is presented below:

	2009	**2008**
Germany	15,825%	15,825%
Luxembourg	29,63%	29,63%

The subsidiaries in Germany are not subject to the German income tax. BPT Hansa Lux SICAV-SIF is the limited tax payer in Germany on the income received from its partnership interest held in the subsidiaries at a tax rate of 15,825%.

9. INVESTMENT PROPERTY

Investment property represents buildings, which are rented out under lease contracts.

The fair value of the investment properties is based on independent appraisals performed by two companies, BulwienGesa Valuation GmbH and Dr.-Ing. Egbert Krellmann Grundstücksbewertungen (officially appointed and sworn valuator) (in 2008 – BulwienGesa Valuation GmbH and Catella Property Valuation GmbH Chartered Surveyors), in accordance with the Practice Statements and Relevant Guidance Notes of the RICS Appraisal and Valuation and approved by both the International Valuation Standards Committee (IVSC) and by the European Group of Valuers' Association (TEGoVA). In accordance with that basis, the market value is an estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The appraisers derive the fair value by applying the methodology and valuation guidelines as set out by the Royal Institution of Chartered Surveyors in the United Kingdom and in accordance with IAS 40.

According to the PPM, properties will be assessed at least annually by an independent real estate appraiser.

'000 Euro	**2009**	**2008**
Cost		
Balance at 1 January	17.299	17.295
Reclassification from investment property under construction	41.075	-
Improvements	-	4
Cost at 31 December	**58.374**	**17.299**
Fair valuations		
Balance at 1 January	(219)	205
Gross revaluation gain/(loss)	1.056	(424)
Fair valuations at 31 December	**837**	**(219)**
Carrying amount at 31 December	**59.211**	**17.080**

Yields used by the appraiser to value the investment properties as at 31 December 2009 and 2008 were between 5,58% and 6,97%.

10. ACQUISITION OF BPT3 GMBH & CO. VERMÖGENSVERWALTUNG KG

On 4 June 2008, the Fund acquired 100% (directly 94%, indirectly 6%) of the voting shares of BPT3 GmbH & Co. Vermögensverwaltung KG, an unlisted company based in Germany. BPT3 GmbH & Co. Vermögensverwaltung KG holds the title to the land where is planned the construction of an office and factory building in Schlenzigstrasse 8, Hamburg- Wilhelmsburg, Germany. This acquisition does not qualify as a business combination.

The total cost of the acquisition was EUR 26 thousand and was fully paid in cash. The cost of the acquisition has been allocated as follows:

'000 Euro	**Carrying value after purchase price allocation**	**Carrying value prior acquisition**
Investment property under construction	321	317
Trade and other receivables	12	12
Cash and cash equivalents	2	2
Total assets	**335**	**331**
Trade and other payables	(309)	(309)
Total liabilities	**(309)**	**(309)**
Total consideration	**26**	
Cash outflow on acquisition:		
Net cash acquired with the subsidiary	**2**	
Cash paid for the acquisition	**(26)**	
Net cash outflow	**(24)**	

11. INVESTMENT PROPERTY UNDER CONSTRUCTION

'000 Euro	**2009**	**2008**
Opening balance at January 1	**35.485**	**9.702**
Acquisition through acquisition of subsidiaries (Note 10)	-	321
Additional expenditure	5.590	25.462
Reclassification to investment property (Note 9)	(41.075)	-
Total investment property under construction at December 31	**-**	**35.485**

Investment property under construction is stated at a cost for 2008

12. TRADE AND OTHER RECEIVABLES

'000 Euro	**2009**	**2008**
Trade receivable, gross	231	2
Less allowance for doubtful receivables	(196)	-
VAT receivable	2	964
Other accounts receivables	750	109
Total	**787**	**1.075**

As at 31 December 2008, VAT receivables of EUR 964 thousand consist of VAT receivables in respect of developments projects: Wissenschaft-und Kongress-Hotel Berlin Dahlem GmbH& Co. KG (EUR 736 thousand) and BPT3 GmbH & Co. Vermögensverwaltung KG (EUR 228 thousand). These amounts were refunded in 2009.

Trade receivables are non-interest bearing and are generally on 30 days terms.

As at 31 December and for the year then ended, the impairment allowances for doubtful receivables were as follows:

'000 Euro	**2009**	**2008**
Balance at 1 January	-	-
Charge for the year	196	-
Amount written off	-	-
Balance at 31 December	**196**	**-**

The impairment allowance charge in 2009 relates to doubtful receivable in Wissenschaft-und Kongress-Hotel Berlin Dahlem GmbH& Co. KG.

As at 31 December, the ageing analysis of trade receivables is as follows:

		Neither past due nor					**Past due but not impaired**
'000 Euro	**Total**	**impaired**	**<30 days**	**30-60 days**	**60-90 days**	**90-120 days**	**>120 days**
2009	787	762	25	-	-	-	-
2008	1.075	25	1.018	8	-	-	24

13. CASH AND CASH EQUIVALENTS

'000 Euro	**2009**	**2008**
Cash at banks and on hand	2.867	3.454
Short-term deposits	-	-
Total cash	**2.867**	**3.454**

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents net of outstanding bank overdrafts.

As at 31 December 2009, the Fund had no outstanding bank overdrafts. As at 31 December 2008, the outstanding bank overdrafts amounted to EUR 181 thousand.

14. EQUITY

14a. Subscribed capital

As at 31 December 2009 and 2008, the subscribed capital of BPT Hansa Lux SICAV-SIF is represented by 243.484 (2007: 218.478) ordinary shares with a par value of EUR 100 each, fully paid-in. On May 29 2008 Board of Directors agreed to convert the convertible bonds of EUR 4.000 thousand held by Aage V. Jensen Charity Foundation into shares of the company to be operated on identical terms as the conversion that took place on 31 December 2007. During the year 2008, the authorised share capital was increased by EUR 2.500 thousand by issuing 25.006 ordinary shares.

Ordinary shares issued and fully paid

	Number of shares	Amount, in Euro
As at 1 January 2008	**178.478**	**17.847.800**
Bond conversion into shares in 2008	40.000	4.000.000
Issued in June 2008	20.016	2.000.000
Issued in November 2008	4.990	500.000
As at 31 December 2008	**243.484**	**24.347.800**
	-	-
As at 31 December 2009	**243.484**	**24.347.800**

14b. Cash flow hedge valuation reserve

This reserve represents the fair value of the effective part of the derivative financial instruments (interest rate swaps), used by the Fund to secure the cash flows from interest rate risk, at the reporting date.

'000 Euro	2009	2008
Balance at the beginning of the period	**(327)**	**-**
Fair value of hedges acquired during period	(81)	(327)
Net variation during the period	**(81)**	**(327)**
Balance at the end of the period	**(408)**	**(327)**

15. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary shareholders, by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit for the year attributable to ordinary shareholders by the total number of ordinary shares committed to existing shareholders. As at December 31, 2009 and 2008 ordinary shares committed to existing shareholders equal the ordinary shares outstanding as that day.

For the period ended December 31	2009	2008
Earnings/(losses) per period (Euro)		
Basic and diluted	959.327	(544.993)
Weighted average number of ordinary shares during the period		
Basic and diluted	243.484	228.902
Earnings/(losses) per share (Euro)		
Basic and diluted	3,9	(2,4)

16. DEBTS TO BANKS

All Fund's debts to banks are denominated in EUR.

'000 Euro	Maturity	Effective interest rate	2009	2008
Non-current borrowings				
Hannover Sparkasse bank	Oct 2016	4,77%	5.850	5.850
Eurohypo Aktiengesellschaft bank	Dec 2017	5,35%	6.000	6.000
Berlin-Hannoversche Hypothekenbank	Jun 2019	5,32%	19.402	16.380
Berlin-Hannoversche Hypothekenbank	Dec 2019	5,97%	6.000	2.208
Less capitalised loan arrangement and legal fees		-	(240)	(266)
Less current portion			(559)	(197)
Total non-current debt			**36.453**	**29.975**
Current portion of non-current borrowings				
Current portion of non-current borrowings			559	197
Total current debt			**559**	**197**
Total			**37.012**	**30.172**

The fair values of borrowings bearing variable interest rates are approximate their carrying value. Changes in fair value of fixed interest rate loans are disclosed in Note 22a.

For the maturity of the borrowings see Note 3d.

For the borrowings received, the Fund pledged the following:

- Assignment of land charge for properties located at:
  - (i) Walsroderstrasse 93/93a, Hannover, Germany with the carrying value totalling to EUR 7.391 thousand.
  - (i) Weinmeisterstrasse 12-14, Berlin, Germany with the carrying value totalling to EUR 6.510 thousand.
  - (i) Lansstrasse 2, 14195 Berlin-Dahlem, Germany with the carrying value totalling to EUR 19.500 thousand.
  - (i) Schlenzigstrasse 8, D-21107 Hamburg, Germany with the carrying value totalling to EUR 6.000 thousand.
- Rights and claims of existing and future rent receivables from lease agreements of investment properties located at Walsroderstrasse 93/93a, Hannover, Germany; Weinmeisterstrasse 12-14, Berlin, Germany; Lansstrasse 2, 14195 Berlin-Dahlem, Germany and Schlenzigstrasse 8, D-21107 Hamburg, Germany.
- Assignment of all rights and claims arising from the following guarantee agreements:
  - (i) Between the Wissenschafts- und Kongress Hotel Berlin-Dahlem GmbH & Co. KG and Kommunalprojekt privatepublic-partnership GmbH, Brigachtal for the rights and claims out of the leasehold rent difference guarantee contract and the first letting guarantee contract and the back-bank-bond with Volksbank Villingen-Schwennigen for a maximum amount of EUR 500 thousand.
  - (i) Between the BPT Hansa Lux SICAV-SIF and Kommunalprojekt privatepublic-partnership GmbH, Brigachtal for the rights and claims out of the investment sum guarantee contract for the amount of EUR 1.000 thousand.
  - (i) Between the Wissenschafts- und Kongress Hotel Berlin-Dahlem GmbH & Co. KG and Kirchner Hoch- und Tiefbau GmbH for the rights and claims out of the general contractor's agreement for the amount of EUR 300 thousand.
  - (i) Between the BPT 3 GmbH & Co. Vermögensverwaltung KG and bauwo Grundstücks AG for the rights and claims arising out of the general contractor's agreement.
- Pledge of all claims arising from the derivative instrument.

17. TRADE AND OTHER PAYABLES

'000 Euro	2009	2008
Trade payables	157	491
Administration and custodian fees payable	76	104
Other payables	25	796
Total trade and other payables	**258**	**1.391**

In 2008 the trade payables of EUR 491 thousand mainly consist of payables for construction works performed related to development project of BPT3 GmbH & Co. Vermögensverwaltung KG (EUR 218 thousand) and payables to external consultants (EUR 204 thousand).

In 2008 the other payables of EUR 796 thousand are mainly related to Wissenschaft-und Kongress-Hotel Berlin Dalhem GmbH& Co. KG grant received from government in respect of the development project (EUR 686 thousand).

Terms and conditions of trade and other payables:
- Trade payables are non-interest bearing and are normally settled on 30-day terms.
- Other payables are non-interest bearing and have an average term of 3 months.

18. OTHER CURRENT LIABILITIES

'000 Euro	2009	2008
Accrued payables for construction works	177	1.032
Accrued Board fees and related taxes	128	113
Accrued audit and accounting fees	101	97
Other accrued payables	188	86
Accrued financial expenses	82	88
Other current liabilities	91	92
Total other current liabilities	**767**	**1.508**

19. COMMITMENTS AND CONTINGENCIES

19a. Operating leases commitments – Fund as a lessor

The Fund leases real estate under operating leases. The terms of the leases are in line with normal practises in each market. Leases are reviewed or subject to automatic inflationary adjustments as appropriate.

The leasing arrangements entered into or in relation with Fund's investment properties portfolio which include a clause authorising tenants to terminate the leasing arrangements up to six-months notice are as such not considered as non-cancellable leases.

Lease payments receivable from non-cancellable lease are shown below. For the purposes of this schedule it is conservatively assumed that a lease expires on the date of the first break option.

	2009		2008	
'000 Euro	Amount receivable	%	Amount receivable	%
Year of expiry or first break option:				
Within 1 year	27	1%	46	46%
Between 2 and 5 years	486	23%	29	29%
5 years and more	1.620	76%	25	25%
Total	**2.133**	**100%**	**100**	**100%**

19b. Litigation

As at 31 December 2009 and 2008, the Fund had no pending legal actions.

20. RELATED PARTIES

During the year, the Fund entered into transactions with related parties. Those transactions and related balances are presented below. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Baltic Property Trust Asset Management A/S

The Fund has entered into investment advisory agreement with Baltic Property Trust Asset Management A/S. Under the terms of the agreement, Baltic Property Trust Asset Management A/S group companies carry out asset manager's functions on behalf of the Fund and the Fund is paying management fees respectively (Note 5).

In addition, internal costs borne by Baltic Property Trust Asset Management A/S group related to the acquisition of properties are remunerated with a acquisition fee of 0,3% of the investment value of each acquisition made.

The following table provides the total amount of the transactions, which have been entered into with related parties for the relevant financial year:

'000 Euro	2009	2008
Baltic Property Trust Asset Management A/S		
Acquisition fees	-	(45)
Interest (expenses)/income	-	(1)
Management fees	(358)	(252)
Payables	56	56

Entities having control or significant influence over the Fund

The shareholders owning more than 5% of the ordinary shares as of 31 December 2009:

	Number of shares	%
Danske Capital Finland Oy Clients	160.000	65,7%
Aage V. Jensen Charity Foundation	40.000	16,4%
Dancasa Aps	21.276	8,7%

21. REMUNERATION OF THE MANAGEMENT AND OTHER PAYMENTS

In 2009 and 2008, the management of the Fund did not receive any remuneration, loans or guarantees; no other payments or property transfers were made or accrued.

22. FINANCIAL INSTRUMENTS

22a. Fair values

Set out below is a comparison by category of carrying amount and fair values of all of the Fund's financial instruments carried in the financial statements:

	Carrying amount		Fair value	
'000 Euro	**2009**	**2008**	**2009**	**2008**
Financial assets				
Cash and cash equivalents	2.867	3.454	2.867	3.454
Other financial assets	787	1.075	787	1.075
Financial liabilities				
Debts to banks	37.252	30.437	39.783	33.075
Other financial liabilities	501	3.080	501	3.080

The fair value of derivatives and borrowings has been calculated by discounting the expected future cash flows at prevailing interest rates as no market quotations are available for these instruments.

22b. Interest rate risk

The following table sets out the carrying amount by maturity, of the Fund's financial instruments that are exposed to interest rate risk:

Year ended 31 December 2009

'000 Euro	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Fixed rate							
Bank loan	(110)	(125)	(132)	(138)	(145)	(5,201)	(5,851)
Bank loan	(46)	(94)	(99)	(105)	(111)	(5,545)	(6,000)
Interest rate swap	46	94	99	105	111	5,545	6,000
Bank loan	(405)	(427)	(450)	(475)	(501)	(17,144)	(19,402)
Bank loan	-	(102)	(130)	(138)	(146)	(5,485)	(6,001)

Year ended 31 December 2008

'000 Euro	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Fixed rate							
Bank loan	-	(120)	(125)	(132)	(138)	(5.335)	(5.850)
Bank loan	-	(46)	(94)	(100)	(105)	(5.655)	(6.000)
Interest rate swap		46	94	100	105	5.655	6.000
Bank loan	(197)	(411)	(433)	(456)	(481)	(14.402)	(16.380)
Bank loan	-	-	(92)	(130)	(137)	(1.849)	(2.208)
Bank overdraft	(181)	-	-	-	-	-	(181)

Interest on financial instruments classified as floating rate is reprised at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument. The other financial instruments of the Fund that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

23. DERIVATIVE FINANCIAL INSTRUMENTS

The Fund entered into an interest rate swap agreement ('IRS') with Eurohypo AG. The purpose of IRS is to hedge the interest rate risk arising from interest rate fluctuations on the non-current bank loan, as Fund's policy is to have fixed interest expenses.

On 19 July 2007, BPT1 GmbH & Co. Vermogensverwaltung KG signed the IRS contract of EUR 6 million with Eurohypo AG. The maturity of the IRS is 28 September 2012. The hedge accounting start date coincides with the date of Eurohypo AG loan full disbursement. The loan was fully disbursed on 31 December 2007. The IRS contract is designated as effective cash flow hedge instrument, thus changes in the fair value are accounted for in a separate equity reserve (Note 14b). As at 31 December 2009 the fair value of EUR (408) thousand (2008: EUR (327) thousand) was determined by the independent valuator Markit Group Limited.

24. SUBSEQUENT EVENTS

There were no post-balance-sheet events.

25. LIST OF CONSOLIDATED COMPANIES

Subsidiaries included in the consolidated financial statements

Company name	Registered office	Registration Number	Date of Acquisition	Activity	Share capital
BPT Hansa S.à r.l.	20, Boulevard Emmanuel Servais, L-2535 Luxembourg	B-120 957	13 November 2007	Financing company	100%
BPT GmbH & Co. Vermögensverwaltung KG	Weinmeisterstr. 12 – 14 10178 Berlin, Germany	HRA 200878	10 November 2006	Asset holding company	100% (directly 93,82%, indirectly 6,18%)
BPT GmbH Übernnahme der pers. Haftung	Weinmeisterstr. 12 – 14 10178 Berlin, Germany	HRB 110698 B	10 November 2006	General partner	100%
BPT1 GmbH & Co. Vermögensverwaltung KG	Weinmeisterstr. 12 – 14 10178 Berlin, Germany	HRA 41318 B	20 November 2007	Asset holding company	100% (directly 94%, indirectly 6%)
BPT1 GmbH Übernnahme der pers. Haftung	Weinmeisterstr. 12 – 14 10178 Berlin, Germany	HRB 113832 B	20 November 2007	General partner	100%
Wissenschaft-und Kongress-Hotel Berlin Dalhem GmbH& Co. KG	Steinwiesen 12, 78086 Brigachtal, Germany	HRA 602832	28 July 2007	Asset holding company	100% (directly 94%, indirectly 6%)
Wissenschafts und Kongress Hotel Berlin-Dahlem Verwaltungsgesellschaft GmbH	Steinwiesen 12, 78086 Brigachtal, Germany	HRB 603089	28 July 2007	General partner	100%
BPT3 GmbH & Co. Vermögensverwaltung KG	Weinmeisterstr. 12-14 10178 Berlin, Germany	HRA 200732	4 June 2008	Asset holding company	100% (directly 94%, indirectly 6%)
BPT3 GmbH Übernnahme der pers. Haftung	Weinmeisterstr. 12-14 10178 Berlin, Germany	HRB 116714	4 June 2008	General partner	100%

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