



BPT HANSA LUX SICAV-SIF

QUARTERLY FUND REPORT Q4 2014¹

¹ based on unaudited figures

SUMMARY

- NRI YTD 2014 increased to EUR 3.2 million
- Occupancy stable at 96.9% in 2014
- Direct property yield (DPY) increased to 5.3% in 2014
- NAV slightly decreased to EUR 102.13 per share

COMMENTARY

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

The Fund has successfully improved performance and re-letting of the new office tower Bessemerstraße in 2014 which resulted to increased property value. However, an increasing number of new hotel projects during the last 12 – 24 months in Berlin and high competition in this sector resulted to a devaluation of the Seminaris hotel property.

ACTIVITIES OVER THE YEAR 2014

Coming from a profit of EUR 1.07m in 2013, the fund would show a positive result of EUR 1.1 million in 2014; however, the net result was significantly reduced by a one-time decrease in property valuation by EUR 2.5 million which resulted to a net loss of 1.2 million. This result is materially driven by a devaluation of the Dahlem hotel, partly absorbed by a valuation gain of Bessemerstraße in an amount of EUR 1 million. Aside this fact, the result would have been far above budget.

Compared to 2013, the NAV per share decreased from EUR 106.92 to EUR 102.13. The direct property yield for the year 2014 increased from 5.1% to 5.3%. The fair value of the portfolio consisting of 4 investment properties is EUR 57.6m end of 2014 (2013: EUR 60m).

During 2014, the average occupancy remains at high level of 96.9% (2013: 96.9%).

In the fifth full year after completion of the Hamburg property, the performance of this property was excellent. When the Fund entered into this investment, the direct property

Fund performance

NAV per share (IFRS)	EUR 102.13
Latest dividend per unit (2013 Q4)	EUR 2.0
Total return since inception	4.06%
Return since inception annualised	0.57%

Portfolio

Number of properties	4
Average gross property value	EUR 14.4m
Occupancy ratio (quarter average)	95.9%

Fund facts

Fund inception (as of the first NAV)	January 2008
Expected exit	2023
Status	Closed-end
Target share capital	EUR 100.0m
Total share capital	EUR 24.3m
Net asset value	EUR 24.9m
Investment capacity	EUR 300.0m
Gross property value	EUR 57.6m
Gross asset value (GAV)	EUR 59.9m
Total cash and cash equivalents	EUR 0.7m
Loans	EUR 34.1m
Loan to value	59.1%
Interest coverage	141.9%

Top 5 holdings

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

Top 5 holdings based on gross property value.

Fees

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

yield after construction was expected to be in the range of 6.0% - 6.3%. The average direct property yield for 2014 was 7.3% and is in line with the budget. In 2014 the constructor's deficit guarantee expired; the property is free of any defects. The property value increased from EUR 9 to EUR 9.2 million.

After its launch phase in 2009, the hotel operations of the Berlin-Dahlem property have been developing only at a middle pace and are below management and hotel operator expectations. Seminaris has received only moderate turnover results, however, in 2014 for the first time since beginning with an increasing trend. The main goal for 2015 will be to continue the development of strategies together with the hotel operator, aiming to increase turnover and performance of this property. However, the recent trend of increasing number of new hotel projects during 2013 and 2014 reinforced the competition in Berlin dramatically. Due to this dramatic market change in the hotel market, the property value of Dahlem decreased from EUR 33 million to EUR 29 million.

Since the new lease agreement with Deutsch Bank kicked in, the attractiveness of the remaining vacant space of approx. 480 sq. m. increased. The average direct property yield of Dahlem remained stable at 4.0% in 2014 (2013: 4.0%).

The local management is actively maintaining to enter into numerous of new lease agreements in the Bessemerstraße property that have already and shall further result to increase in both the average rental income per sq.m. and the weighted average lease term. The occupancy of this property is on a high level of 93.6% (excl. archive). Due to the ongoing proactive asset management and new lease agreements the average direct property yield in 2014 is 6.9% and is above the budget.

The Hanover property in Walsroder Strasse continues to have 100% occupancy (office space). The direct property yield remained stable in 2014 at 6.9% which is in line with the budget (YE 2013: 7.0%).

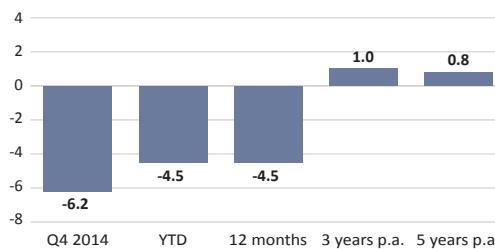
MARKET OUTLOOK

Following a moderate year of growth (1.0%) in 2013, 2014 was again affected by unsteady trends in world and especially the European trade and low interest rates. Despite the weak EURO currency and European economic climate, the German growth kept expanding by 1.6% in 2014 driven largely by the domestic economy and increasing export trade supported by low interest rates and the positive development of the labour market.

The government is projecting an ongoing stable GDP growth of 1.4% in 2015 and of 1.7% in 2016. The continuous improvement of the labour market is providing a significant support for private income and an increase in private consumption. Germany has experienced a strong rise in employment during 2013 and 2014. The 42.7 million people employed are the highest level noted ever. The total unemployment level was steadily decreasing, and reached its lowest level since the German reunification and the lowest level in Europe with a rate of only 5.0%, trend 2015 4.9%.

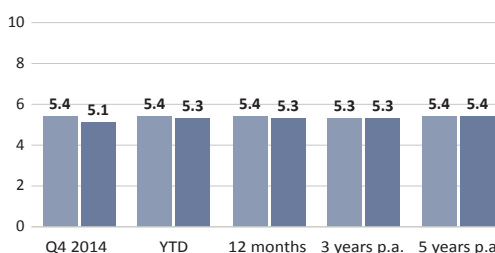
After an increase in consumer prices in 2013 (1.5%), 2014 showed a lower average rate of only 0.2%. The annual inflation for 2015 is expected at more or less the same level.

Total Fund Return



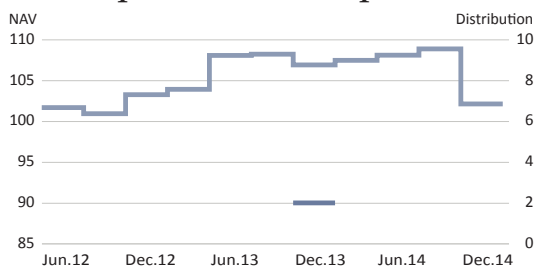
Total fund return is calculated as NAV-to-NAV taking into account distributed dividend and net capital invested for the year

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



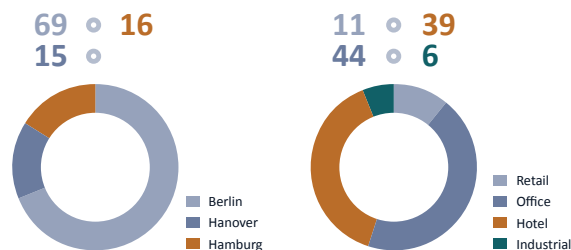
NIY (light blue) is calculated as the net operating income divided by gross property value annualized. DPY (dark blue) is calculated as the net operating income divided by the acquisition costs annualized.

Development in NAV per share



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

Allocation in percent



Allocation is calculated based on gross property value.

FUND MANAGER



Georg Haider

Email: Georg.Haider@nh-cap.com

Direct tel: +49 30 20 21 59 886