

Q2 2010

BPT Arista S.A. SICAV-SIF Quarterly Fund Report



- NAV recovery due to better operating result and currency appreciation
- Arcada Stroy will be partly operational in September 2010
- Country Park land area converted from leasehold to freehold

COMMENTARY

BPT Arista is a direct real estate fund covering commercial real estate in Russia, primarily focusing on Moscow and St. Petersburg. The fund is targeting institutional investors and should be regarded a medium-term investment product. Due to appreciation of the Rouble and positive operating results the NAV increased to EUR 72.6 per share from EUR 67.0 per share at the end of Q1 2010.

ACTIVITIES DURING THE QUARTER/YEAR

Net rental income year to date for June 2010 amounted to EUR 5.8m and was EUR 0.6m ahead of budget. Average direct property yield calculated in Euro for Q2 2010 was 8.5 % vs 8.3 % 2009 and 7.5 % in our budget.

Global City continues to be fully let and had a YTD June property yield (NOI) corresponding to 12.9 %. However, retail turnover in Moscow is fragile since many of the retailers are suffering from limited consumer confidence and the impact of the protracted heat wave. Hence, we have for some selective and strategic tenants granted temporary rental reductions. Our air condition and ventilation systems at the centre have been recently updated which has helped to overcome the exceptional challenge of dealing with external temperatures of above 38 degrees and unprecedented smoke levels.

Fund performance

NAV per share	EUR 72.56
Latest dividend per share (2009)	EUR 0.0
Total fund return since inception	-27.9 %
Fund return since inception annualised	-8.9 %

Portfolio

Number of properties	3
Average gross property value	EUR 39.3m
Occupancy ratio (quarter average)	76.0 %

Fund facts

Fund inception (as of the first NAV)	October 2005
Expected exit	2016
Status	Closed-end, open for investments
Target share capital	EUR 400m
Total share capital	EUR 72.9m
Net asset value (total equity)	EUR 50.9m
Planned Investment capacity	EUR 1,000m
Gross property value	EUR 117.8m
Gross asset value (GAV)	EUR 126.4m
Total cash and cash equivalents	EUR 5.5m
Loans	EUR 64.2m
Loan to value	54.5 %
Interest coverage	153.0 %

Largest Holdings



Country Park (Moscow)
Office, 19,530 sq. m.
Acquired July 2008



Global City (Moscow)
Retail, 15,904 sq. m.
Acquired February 2007

Investor Support

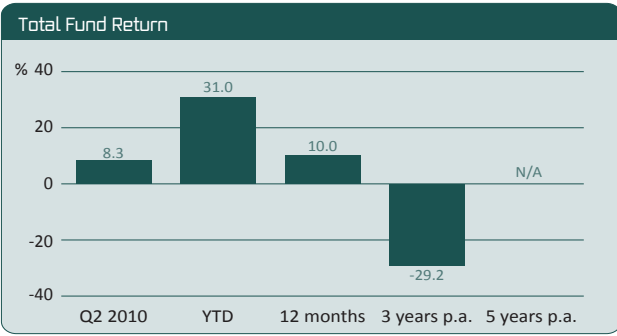


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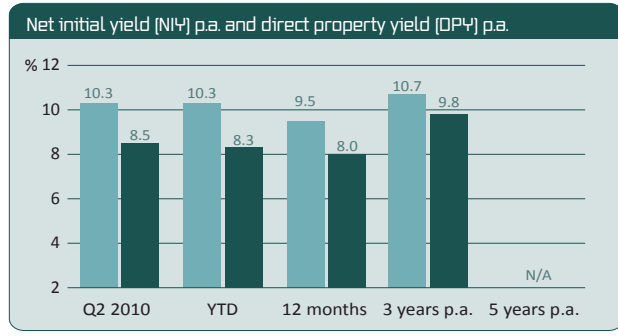


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Total fund return is calculated as NAV-to-NAV taking into account distributed dividend and net capital invested for the year



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

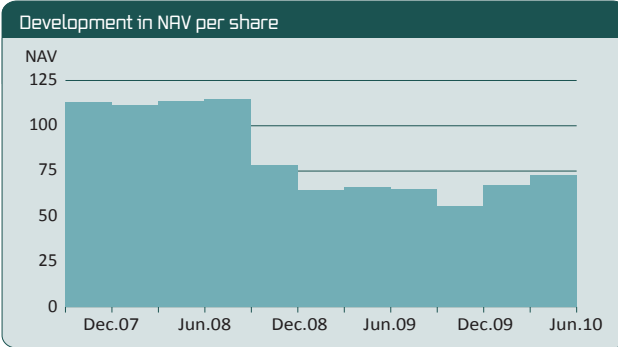
Country Park remains nearly fully let with a year to date occupancy ratio of 98 %, the yield for the period was 7.1 % versus 6.9 % in the budget and is expected to reach a yield of 8.2 % for the second part of the year. All major tenant negotiations are completed and some tenants are now for the first time since 2008 requesting additional space. Furthermore, we have now acquired the two land plots located under our office building and parking house, thereby going from a 49-year leasehold to freehold (ownership).

Arcada Stroy is now ready to gradually be re-opened starting as of September 15, 2010 - after an extensive re-building process where among others floor lay-out has been upgraded, fire and security systems have been modernized and the external appearance has been made more contemporary. One new tenant has been signed up for a period of 10 years, and we are working on two additional tenants so the building should be fully let by year-end 2010. The initial yield is low at 6 % but should be gradually increasing up to 8 % in 2014.

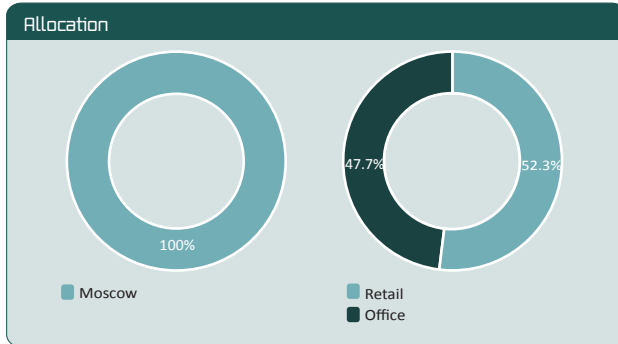
The above mentioned rental situation plus re-letting of Arcada-Stroy would de-facto mean that all properties are fully occupied by 2011, and NOI of the fund would be in the range of 9.5 % – 10.5 % in the coming years.

MARKET OUTLOOK

After a 7.9 % decline in 2009, Russia is showing strong signs of recovery, and GDP is expected to grow 4 % in 2010 and growth should remain at a similar level in 2011. But, an expected 40 % crop reduction this year is a dark horse and could also have a negative impact on growth rates in the years to come. Unemployment has stabilized at close to 8 % and a slight decrease is expected over the next couple of years international buyers are gradually returning to the market and two truly independent transactions with foreign buyers have been reported during 2010 at a yield level of 10-11 %. Some international and local banks have also reassumed their lending to the real estate sector.



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



Allocation is calculated based on gross property value.

Property	Type	Location
Country Park	Office	Moscow
Global City	Retail	Moscow
Arcada Stroy	Retail	Moscow
Weight of total gross property value		
100 %		

Top 5 holdings is based on gross property value.

Subscription fee	4 % excluding VAT
Management fee	1.45 %-2.0 % of the total year-end GAV
Acquisition fee	0.3 % of the property acquisition price
Incentive fee	20 % in excess of RoE hurdle of 11 % p.a.

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