

Q2 2010

BPT Secura A/S Quarterly Fund Report



- NAV increases to 196.3 DKK
- Property income stabilized
- Estonia adopts euro from 2011

COMMENTARY

BPT Secura is a direct real estate fund covering commercial property in Lithuania, Latvia and Estonia. The fund is targeted towards institutional investors and should be seen as a medium term investment product.

The fund's NAV increased to 196.3 DKK representing a 1.9% fund return for the first half of 2010. The operating profit for the half year exceeded budget expectations by 18% as a result of stabilized rental levels in the fund's properties and the ability to save on some running costs of the properties. The increase in vacancy in the properties is also now slowing down to a sustainable level for the remainder of the year.

ACTIVITIES OVER THE QUARTER

The fund performed better than budgeted during the first half of 2010 with direct property yield at 7.9% (slightly higher than the budgeted 7.5%). Although average occupancy YTD fell to 85.1% (slightly below the budgeted 87.2%), the net profit for the first half amounted to DKK 14.1m, exceeding budget by DKK 2.2m.

All properties in Latvia performed better than expected for the half year due to the over-conservative perspective that existed in the Latvian property market at the end of 2009. The fund's properties in Estonia also performed above expectations.

In the Europa shopping centre in Lithuania, which takes up 40% of the fund's value, we embarked on a vigorous

Fund performance

NAV per share	DKK 196.30
Latest dividend per share (paid out 2008)	DKK 7.00
Total fund return since inception	156.4%
Fund return since inception annualised	13.9%

Portfolio

Number of properties	11
Average gross property value	DKK 96.3m
Occupancy ratio (quarter average)	83.0%

Fund facts

Fund inception (as of the first NAV)	March 2003
Expected exit	postponed to 2012
Status	Closed-end, closed for investments
Target share capital	DKK 300.0m
Total share capital	DKK 300.0m (fully invested)
Net asset value (total equity)	DKK 588.9m
Investment capacity	DKK 750.0m
Gross property value	DKK 1,059.8m
Gross asset value (GAV)	DKK 1,112.2m
Total cash and cash equivalents	DKK 37.2m
Loans	DKK 417.3m
Loan to value	39.4%
Interest coverage	263.5%

Largest Holdings



Europa (Vilnius, Lithuania)
Retail, 22,611 sq.m.
Acquired December 2004



Valdemara (Riga, Latvia)
Office, 12,000 sq.m.
Acquired October 2005

Contacts

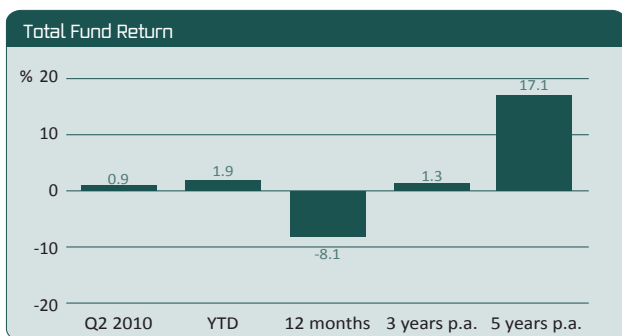


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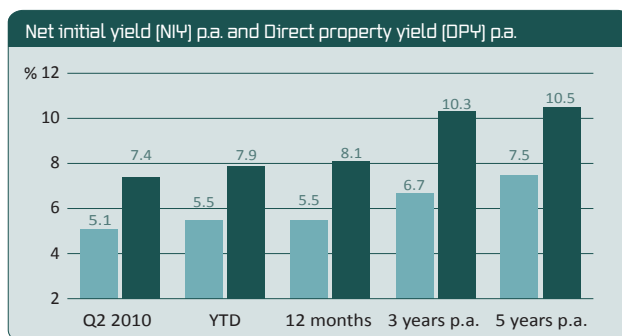


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Total fund return is calculated as NAV-to-NAV taking into account distributed dividend and net capital invested for the year.

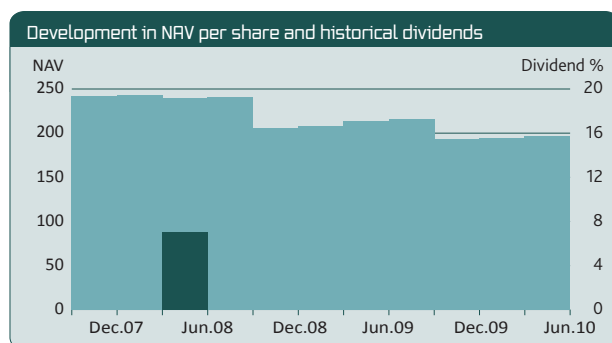


NIY (light blue) is calculated as the net operating income divided by gross property value annualized. DPY (dark green) is calculated as the net operating income divided by the acquisition costs annualized.

marketing campaign which proved extremely worthwhile in enhancing the centre's footfall, retail sales and branding to existing and new customers. Although its net rental income is slightly below budget, it is expected that better results will prevail in the longer term. The "Vapiano" restaurant will be opening on 17th September 2010 giving the centre a rejuvenating boost.

Two other properties in Vilnius experienced major changes in tenancy and, as expected, have put pressure on their returns during the first half year. Particularly, the vacating anchor tenant of the Zariju distribution centre in May this year has driven down its year-to-date occupancy to 76%. A new anchor tenant, taking up 50% of the property was signed up from July ensuring that the property's occupancy for the entire year will not fall below 70%; however, the market rental rate is markedly lower than before.

The Fund's clear priority for the remainder of 2010 is to ensure adequate refinancing of loans expiring in 2011. 55% of the fund's loan contracts expire by the end of 2011. Financing conditions in the Baltics are still harsh, however, are slowly improving; and until the fund's short-term liability exposure is again converted to long-term, dividends will not be declared.

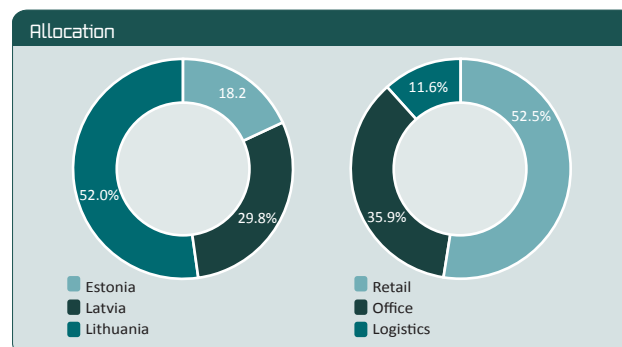


Development in NAV (light blue) is excluding reinvested dividends. Historical dividends (dark green) are shown at the time they are deducted from the NAV per share.

MARKET OUTLOOK

It has been almost 2 years since any shares in Secura have changed hands amongst existing shareholders, but in the last quarter, we have become aware of share transfers being made. This very fact suggests that interest in the Baltic States' real estate market has been rekindled and will grow. It's clear that the commercial real estate markets have stabilized and now with several commercial property sales transactions having taken place, it is expected that vacancy rates will start to decline and rental rates start to rise.

The Euro has its recent share of criticism especially with the recent Greek financial crisis. Estonia however has now been fully cleared by all Eurozone finance ministries to be able to adopt the Euro as its official currency as of 1st January 2011. This should be seen as generally positive news, not only for the Euro but also Estonia. As a specific and positive outcome for BPT Secura, one tenant (a security company dealing with cash transport) in Estonia has now requested more space.



Allocation is calculated based on gross property value.

Property	Sector	Location
Europa	Retail	Vilnius, Lithuania
Valdemara	Office	Riga, Latvia
Rävala	Office	Tallinn, Estonia
Zariju	Logistics	Vilnius, Lithuania
Kalku	Office	Riga, Latvia
Weight of total gross property value		80.3%

Top 5 holdings is based on gross property value.

Management fee	0.6% of gross asset value p.a.
Incentive fee	40% of increase in net operating profit before tax

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