2020 ANNUAL REPORT

Blackstone Property Partners Europe Holdings S.à r.l.

Blackstone

Contents

MANAGEMENT STATEMENT

Management Statement

Dear Investors,

We hope you and your families are healthy, and we join you in thanking all frontline workers and first responders for their service throughout the course of the COVID-19 pandemic.

Over the past three years, Blackstone Property Partners Europe Holdings S.à r.l ("BPPEH") has assembled a diversified portfolio of high-quality logistics, residential and office properties across major European markets, with a total GAV of €7.8 billion as of 31 December 2020. Taking into account acquisitions closed after year end, our portfolio currently stands at over €7.9 billion of total GAV.

2020 was nothing short of an unprecedented year. Yet despite ongoing uncertainty around COVID-19, the past year has also demonstrated the resilience of the BPPEH portfolio owing to our sector and market selection, the strength and flexibility of our balance sheet and our continued access to institutional equity capital. We also benefit from the scale and expertise of Blackstone's $187 billion global real estate platform in all aspects of our business.

BPPEH continued to grow and further diversify in 2020 while remaining focused on our highest-conviction investment themes. Our acquisition activity during the year was focused on high-quality logistics assets in Europe's key distribution corridors, which included BPPEH's first investment in the United Kingdom. We also continued to acquire prime city-centre residential assets, largely located in Amsterdam. Additionally, in December we made our first office acquisition in two years with the purchase of two high-quality, well-located office properties in Milan.

As of 31 December 2020, our portfolio comprised 701 assets in 13 countries. Operating performance across our asset base remained stable, with our portfolio 94% leased on a 4-year WALL (excluding residential) as of 31 December 2020. On a like-for-like basis, occupancy in our portfolio increased by 91 basis points while passing rent per square metre declined by 2.3%.

As our portfolio has grown in scale, we have maintained a conservative debt profile. Our net LTV as of 31 December 2020 stood at 47%, within our target range of 45-50%. We continued to access the capital markets in a disciplined manner during the last year, issuing €600 million of unsecured notes under our EMTN programme in October 2020. The proceeds were primarily used to repay existing bank debt, which resulted in a more flexible, longer duration and lower cost capital structure. As of 31 December 2020, our debt had a weighted average interest rate of 1.6% and weighted average maturity of 4 years and consisted primarily of fixed rate unsecured notes.

In addition, we enhanced our funding flexibility by refinancing our revolving credit facility in March 2020. Our new €600 million facility carries a lower interest rate and has a longer maturity than our previous facility.

We thank you for your continued support of BPPEH, and look forward to working with you in the year ahead.

Frank Cohen
Chairman
BPPEH

James Seppala
Chief Executive Officer
BPPEH

Wesley LePatner
Chief Operating Officer
BPPEH

Jean-Francois Bossy
Board Member
BPPEH

Diana Hoffmann
Board Member
BPPEH

Business Overview & Strategy

BPPEH seeks to acquire high-quality, substantially stabilised real estate assets across Europe. Investments are concentrated in the logistics, residential and office sectors, with a focus on major European markets and key gateway cities. BPPEH is 100% owned by Blackstone Property Partners Europe, an open-ended core+ real estate fund managed by Blackstone.

Blackstone is the largest real estate asset manager in the world, with $187 billion of equity under management as of 31 December 2020. In addition, Blackstone is one of the largest owners of real estate in Europe, managing a €92 billion portfolio across 24 countries.

Blackstone's access to proprietary information from its global portfolio coupled with the breadth and expertise of its team enable BPPEH to identify attractive investment themes on which it can execute in scale.

The Blackstone platform allows BPPEH to source and evaluate investment opportunities that others may not be able to pursue. Blackstone has developed an unrivalled network of relationships with real estate owners, operating partners and agents, which provide BPPEH with access to off-market transactions. In addition, we target opportunities where our ability to navigate complexity and transact quickly allows us to invest at an attractive basis.

BPPEH is focused on value creation through active asset management, including leasing, physical renovations and expense management. This is driven by Blackstone's dedicated asset management professionals and over 4,200 employees within Blackstone's portfolio companies across Europe who have a deep-rooted expertise in all our major markets.

BPPEH seeks to finance its investments with moderate leverage, targeting 45-50% LTV, and to have a principally unsecured capital structure with fixed interest rates and a staggered debt maturity profile. Combined with BPPEH's focus on a high-quality, diversified asset base, we believe our financing strategy results in an attractive, low-risk investment profile.

KEY HIGHLIGHTS

Key Highlights

Large, Diversified Portfolio

13 countries

€7.8B GAV

701 assets

Stable Cash Flows with Operational Upside

94% occupancy

4-Year WALL

16% below market rents

Strong Credit Profile

47% net LTV

1.6% weighted average interest rate

91% fixed rate debt

Blackstone's European Management Platform

€92B real estate portfolio

4,200+ employees[1]

24 years of investing experience in Europe

Note: All BPPEH metrics in this Annual Report are calculated at 100% share (including the portion attributable to minority owners). See definitions on page 88.

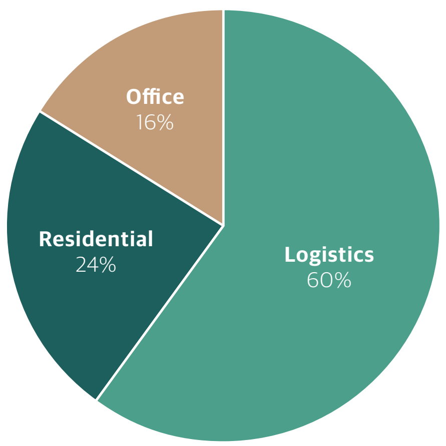
1. Includes Blackstone's portfolio companies.

Portfolio Overview

BPPEH owns a diversified portfolio of high-quality, well-located properties in the logistics, residential and office sectors. The portfolio consists of 701 assets spanning 4.9 million square metres across 13 countries, with a GAV of €7.8 billion as of 31 December 2020.

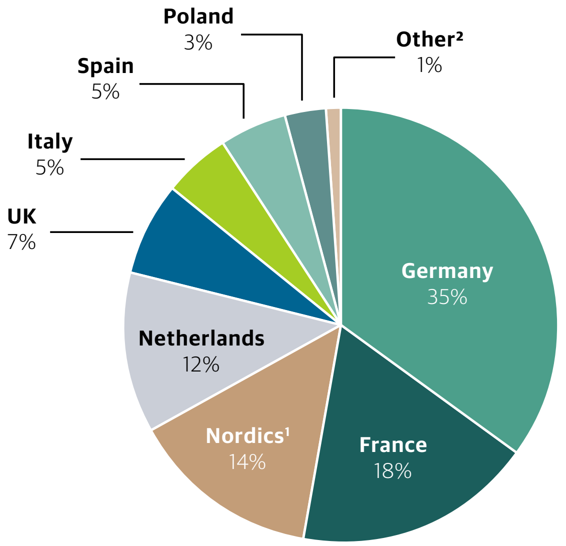
Sector Allocation

(% of GAV)



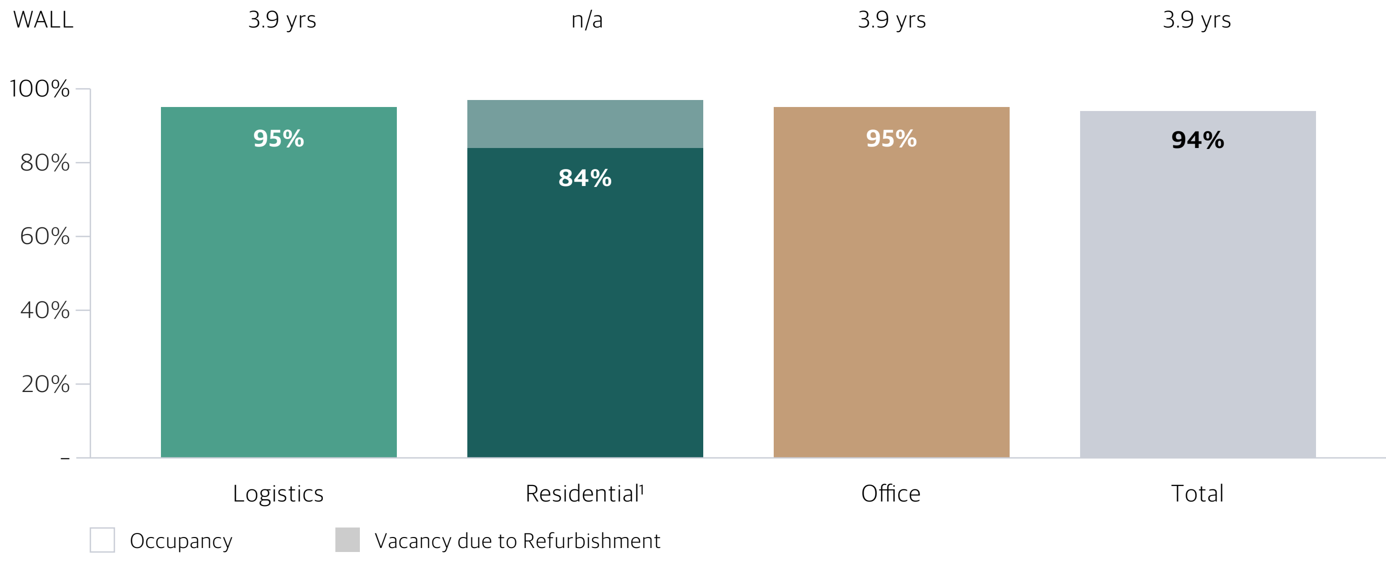
Geographic Allocation

(% of GAV)



1. Nordics includes Sweden (8%), Denmark (4%), Norway (1%) and Finland (<1%).
2. Other includes Switzerland (1%) and Greece (<1%).

Occupancy and WALL by Sector



Acquisitions

BPPEH follows a disciplined investment approach, with a focus on acquiring high-quality assets in major European markets and gateway cities at attractive pricing.

Logistics: During 2020, BPPEH acquired 74 logistics assets located primarily in the United Kingdom, France, Germany and the Nordics for an all-in cost of €1.6 billion. The assets are comprised of Grade-A warehouses totalling 1.3 million square metres and are concentrated in major distribution markets in the Midlands region of the United Kingdom (including the Golden Triangle), Germany, France and the Nordic Trade Triangle (Copenhagen, Stockholm and Oslo).

Residential: BPPEH continued to expand its Dutch residential platform through the acquisition of 741 residential units for an all-in cost of €288 million. The assets, located in central Amsterdam, Utrecht and Rotterdam, were acquired through multiple transactions on an off-market basis.

Office: BPPEH acquired a portfolio of two high-quality, well-located office properties in Milan, Italy for an all-in cost of €139 million. The portfolio includes Via Principe Amedeo 5, a 7k sqm, LEED Gold certified, trophy office building in Milan's Central Business District ("CBD"), as well as Via Scarsellini 14, a well-located, 18k sqm, BREEAM certified, Grade-A office complex.

Dispositions

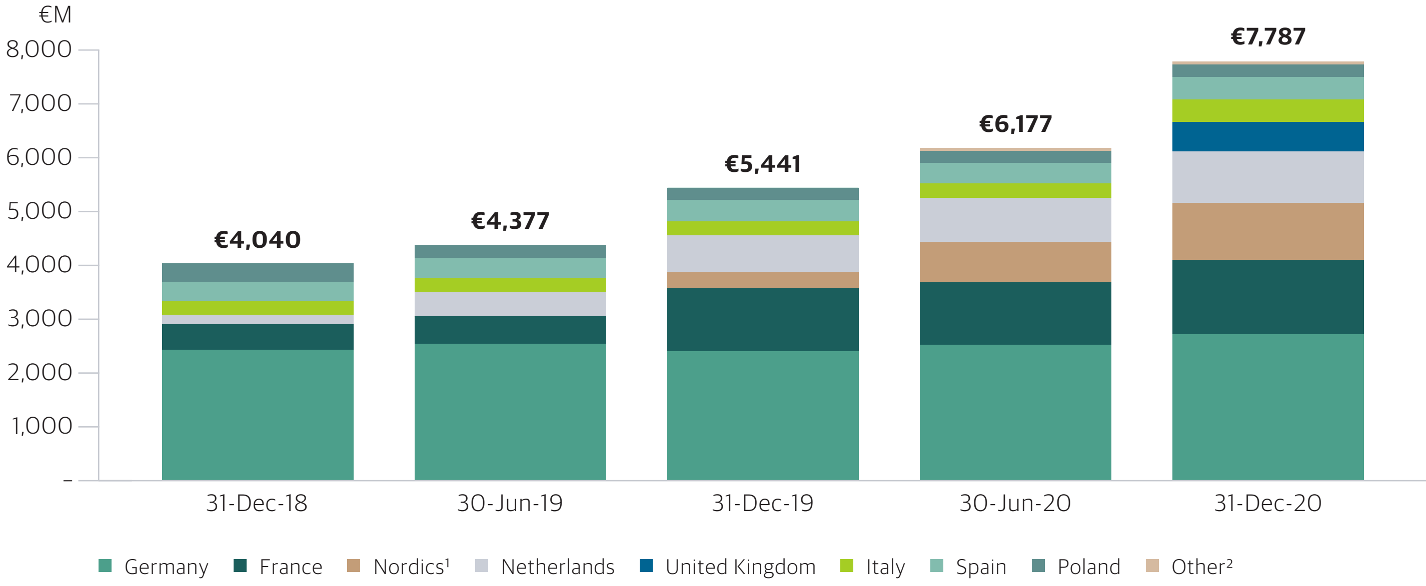
While BPPEH generally intends to pursue a long-term buy and hold strategy, we may seek to selectively dispose of assets that we deem to be non-core or that we believe offer only moderate growth potential over the medium term.

During 2020, we sold five units in our German residential portfolio for €2 million. The units were deemed to be non-core as they were located in an asset only partially owned by BPPEH.

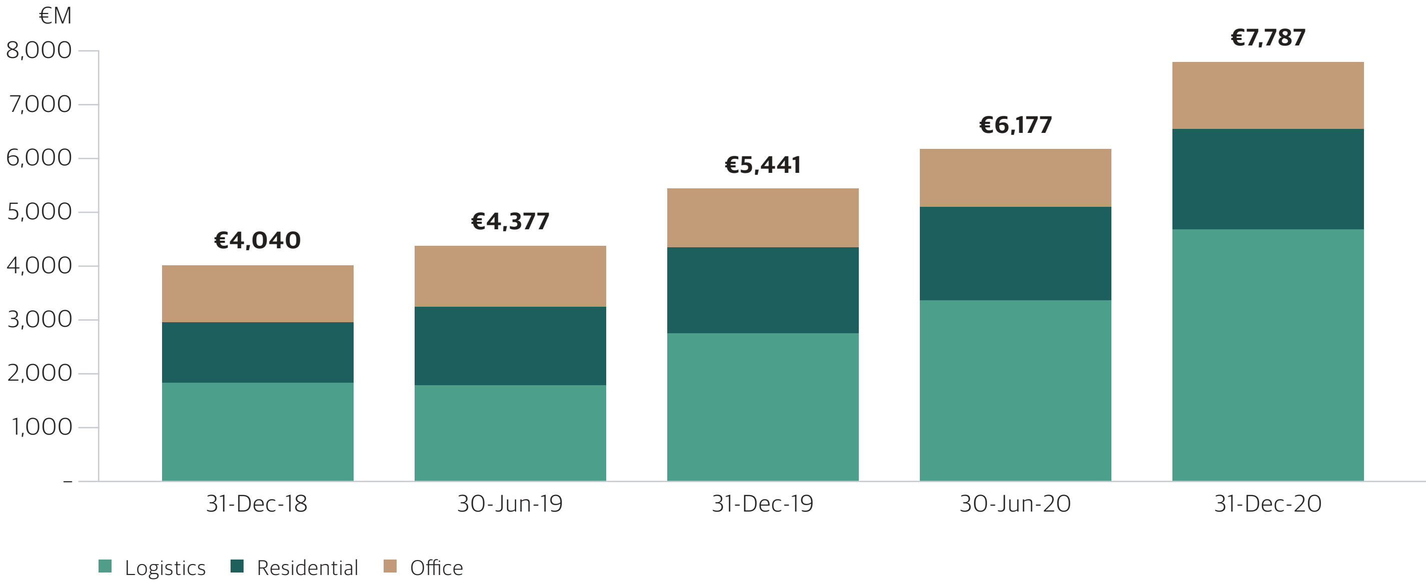
1. Represents occupancy of residential units only. Adjusting for vacancy due to refurbishment, average residential occupancy would be 97% as of 31 December 2020.

Portfolio Update

GAV by Country



GAV by Sector



1. Nordics includes Sweden, Denmark, Norway and Finland.
2. Other includes Switzerland and Greece.

Logistics

Key Metrics	31-Dec-20	31-Dec-19	LfL Change
GAV (€m)	4,687	2,752	+7.8%
GLA ('000s)	4,313	2,958	-
Economic Occupancy (%)	95%	94%	+146 bps
Physical Occupancy (%)	95%	94%	+146 bps
WALL (years)	3.9	4.2	(0.5) years
Passing Rent (€/sqm/year)	55	50	+0.8%

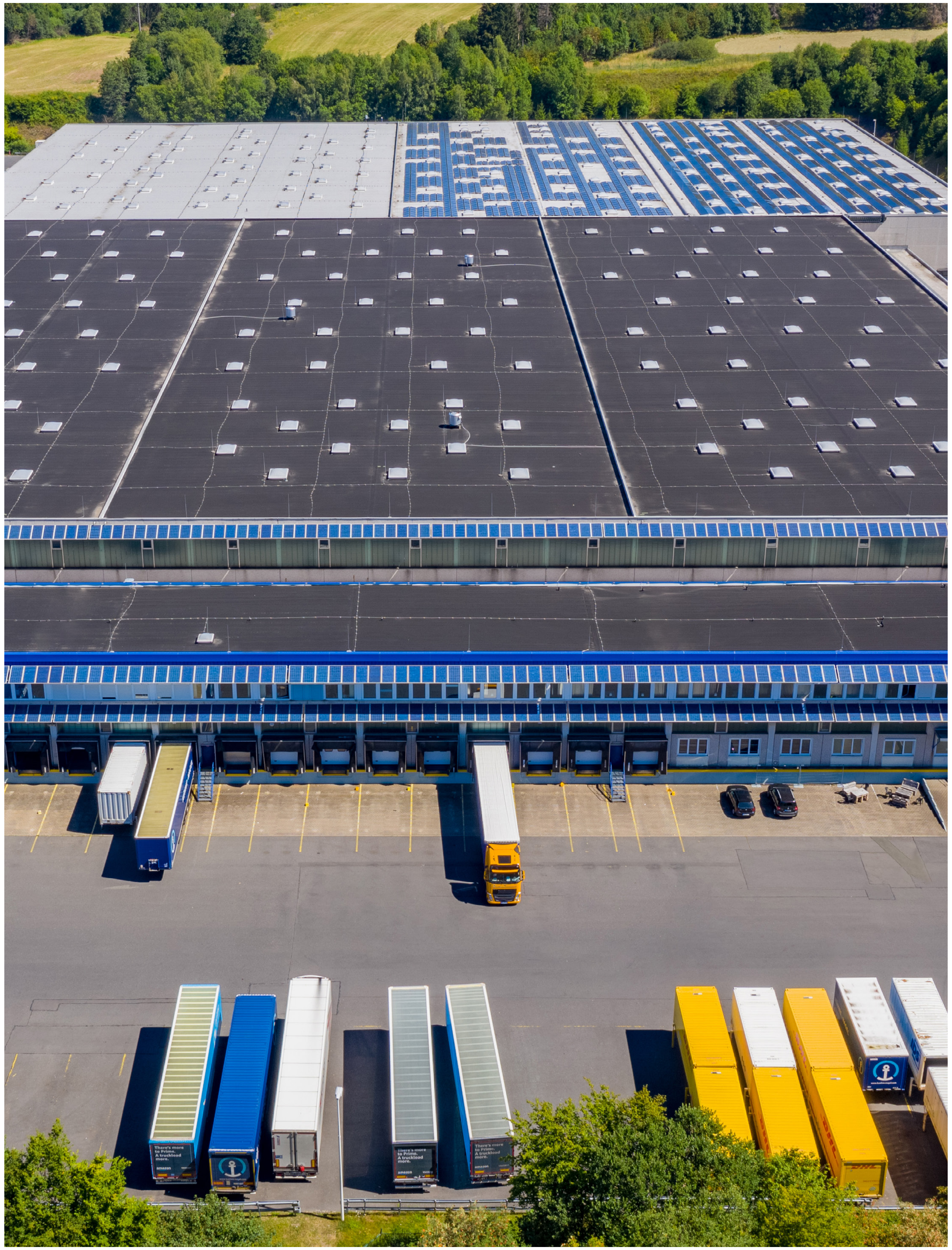
Residential

Key Metrics	31-Dec-20	31-Dec-19	LfL Change
GAV (€m)	1,864	1,599	(1.9)%
Number of Residential Units	6,349	5,609[1]	-
Occupancy[2] (%)	84%	89%	(301) bps
Passing Rent (€/sqm/month)	9.1	9.4	(11.9)%

Office

Key Metrics	31-Dec-20	31-Dec-19	LfL Change
GAV (€m)	1,235	1,090	+0.5%
GLA ('000s)	169	137	-
Economic Occupancy (%)	95%	95%	(113) bps
Physical Occupancy (%)	94%	95%	(113) bps
WALL (years)	3.9	4.0	(0.6) years
Passing Rent (€/sqm/year)	272	269	+2.3%

Note: "LfL Change" represents the change in each metric for our like-for-like portfolio, which is comprised of assets owned throughout 2020 (i.e., excludes assets developed, acquired or sold during 2020). All like-for-like changes in area and number of units in this Annual Report exclude the impact of development, remeasurement and combination/division of existing units.
1. Number of residential units restated following a reclassification of one unit to commercial use.
2. Represents occupancy of residential units only. Adjusting for vacancy due to refurbishment, average residential occupancy would be 97% as of 31 December 2020.



Logistics

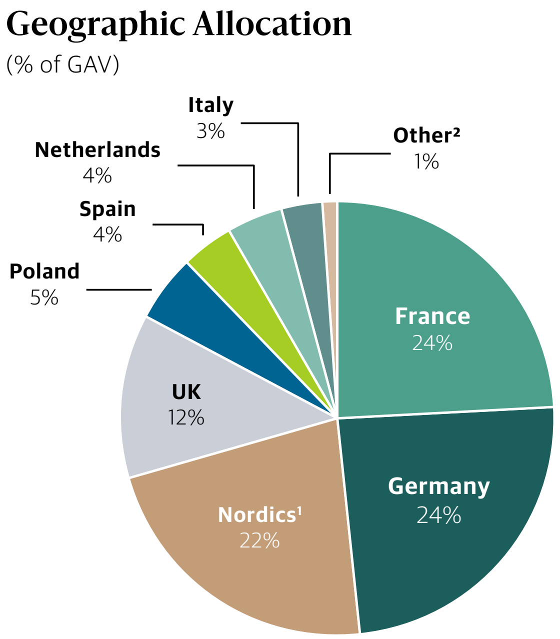
BPPEH owns a high-quality €4.7 billion pan-European logistics portfolio located in key distribution corridors. The portfolio consists of 161 properties comprising 4.3 million square metres across 13 countries. The portfolio is 95% occupied on a 3.9-year WALL.

€4.7B
GAV

4.3M
square metres

95%
occupancy

3.9 Years
WALL



Note: Totals may not sum due to rounding.
1. Nordics includes Sweden (14%), Denmark (7%), Norway (1%) and Finland (1%).
2. Other includes Switzerland (1%) and Greece (<1%).

Logistics Portfolio Summary

Logistics assets represent approximately 60% of BPPEH's GAV as of 31 December 2020. We have continued to see robust fundamentals in the logistics sector, driven by strong e-commerce trends which accelerated as a result of COVID-19. Increased demand, combined with limited new supply, have caused vacancy across our key markets to drop below 4.5%. Given the high quality and strong locations of our properties, we continue to believe our logistics portfolio is positioned to benefit from these trends.

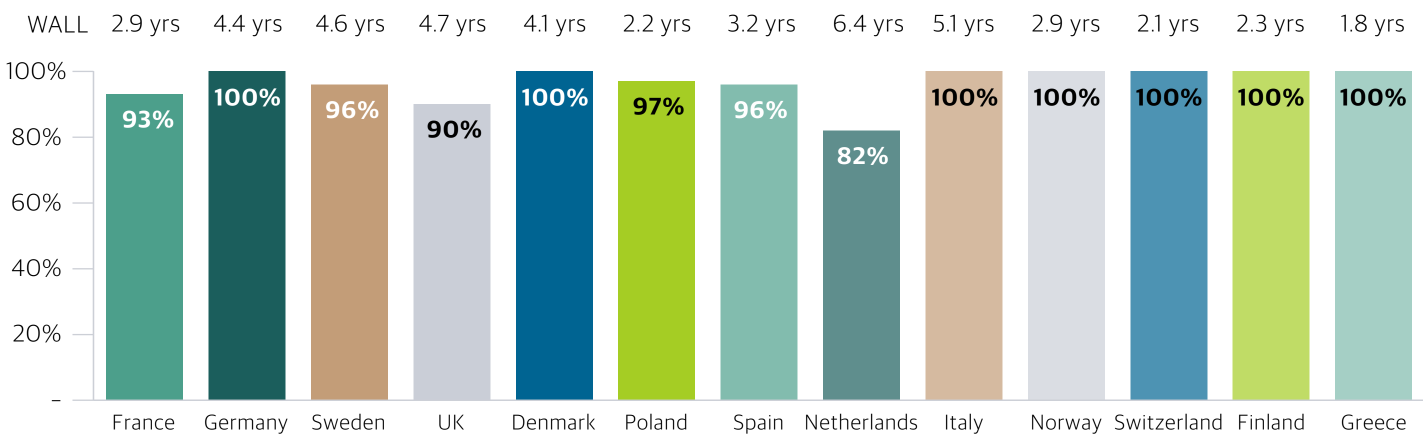
Our logistics portfolio is well-leased, with 95% occupancy and a 3.9-year WALL as of 31 December 2020. The portfolio continued to deliver strong operating results during the year, with occupancy increasing 146 bps and passing rent growing 0.8% on a like-for-like basis. Due to the strong fundamentals in the logistics sector and the resilient operating performance of our assets, the GAV of our logistics portfolio increased by 7.8% on a like-for-like basis.

During the year, we acquired 74 Grade-A logistics properties, comprising 1.3 million square metres, located primarily in the United Kingdom, Germany, France and the Nordics for an all-in cost of €1.6 billion.

Our logistics portfolio has generally proven resilient to date, and we expect it will continue to benefit from the acceleration in e-commerce. The collection rate for Q4 rents was 2 percentage points below typical rates. We continue to work with select tenants who have been directly impacted by the COVID-19 situation, assessing relief requests on a tenant-by-tenant basis.

Country	GAV (€m)	Number of Assets	Area ('000 sqm)	Occupancy	WALL (years)	Passing Rent (€/sqm/year)
France	1,141	48	1,256	93%	2.9	47
Germany	1,134	33	1,001	100%	4.4	50
Sweden	643	21	463	96%	4.6	67
United Kingdom	546	22	395	90%	4.7	71
Denmark	322	7	229	100%	4.1	73
Poland	241	9	355	97%	2.2	46
Spain	186	6	216	96%	3.2	44
Netherlands	181	5	155	82%	6.4	66
Italy	156	5	147	100%	5.1	59
Norway	50	2	20	100%	2.9	117
Switzerland	44	1	16	100%	2.1	130
Finland	38	1	28	100%	2.3	63
Greece	7	1	33	100%	1.8	18
Total / Weighted Average	**4,687**	**161**	**4,313**	**95%**	**3.9**	**55**
2019 Total / Weighted Avg.	2,752	86	2,958	94%	4.2	50
LfL change	**+7.8%**	**–**	**–**	**+146 bps**	**(0.5) years**	**+0.8%**

Occupancy and WALL by Country



Note: Totals may not sum due to rounding.

Tenant Overview

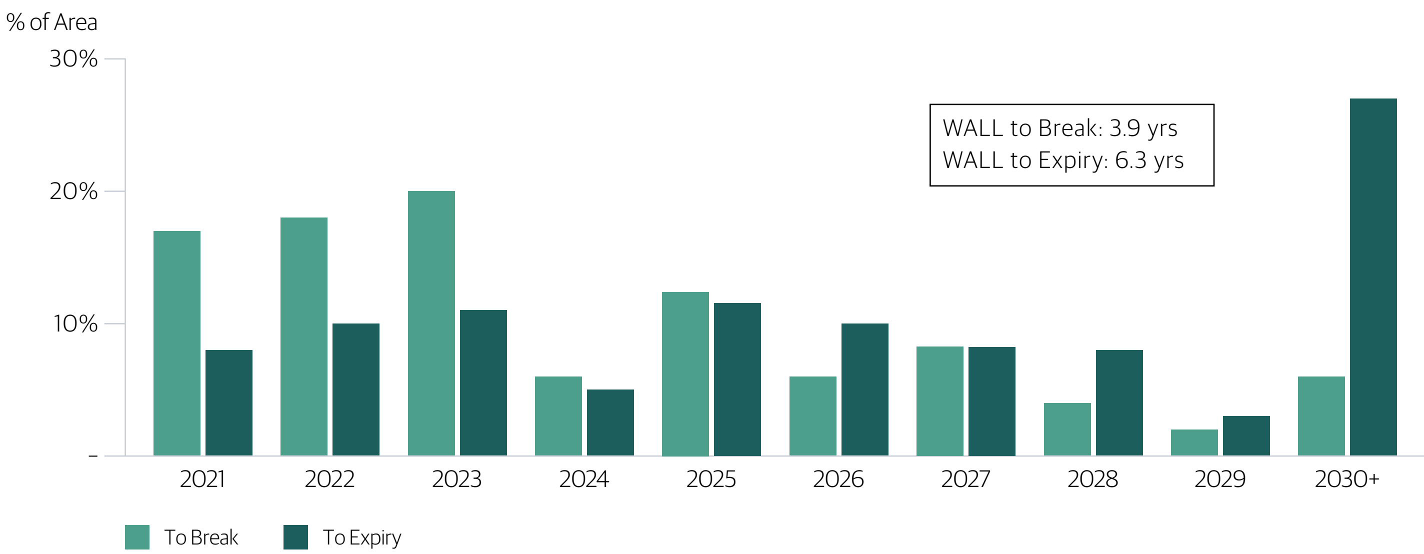
BPPEH's logistics portfolio benefits from a high-quality, diversified tenant base comprised primarily of large corporates and major third party logistics providers. As of 31 December 2020, the top ten tenants represented 36% of passing rent. Major tenants include:

amazon
Carrefour
DHL
dispeo
DSV
KUEHNE+NAGEL
RHENUS LOGISTICS
Simon Hegele Logistics and Service
XPO

Leasing Activity

In 2020, we signed lease agreements amounting to 390k square metres across our logistics portfolio, including 159k square metres of new leases and 231k square metres of renewals. BPPEH achieved an average releasing spread of 2% for all leases on previously occupied space. Leases with break options or expiries during the year totalled 177k square metres, for which we achieved a retention ratio of 95%.

Lease Maturity Profile



Logistics Portfolio Map[1]

1. Geographic allocation based on area ('000 sqm).

PORTFOLIO OVERVIEW

Logistics Asset List

Asset Name	Country	Area (sqm)	Occupancy
Amiens	France	12,700	100%
Avignon - Monteux I	France	23,500	100%
Avignon - Monteux II	France	31,200	100%
Dijon - Besancon	France	70,800	100%
Dijon - Longvic	France	38,100	100%
Dunkirk	France	20,900	73%
Lille - Hem	France	50,400	100%
Lille - Noyelles-Godault	France	18,400	35%
Lille - Toufflers	France	40,800	100%
Lyon - Belleville	France	50,500	100%
Lyon - Chalon-sur-Saone	France	108,100	100%
Lyon - Etoile-sur-Rhone	France	34,900	100%
Lyon - Genas	France	4,700	100%
Lyon - Macon-Nord	France	22,200	100%
Lyon - Saint-Pierre-de-Chandieu	France	19,400	100%
Lyon - Saint-Priest	France	12,700	100%
Lyon - Saint-Quentin-Fallavier I	France	18,700	100%
Lyon - Saint-Quentin-Fallavier II	France	26,700	100%
Marseille - Salon-de-Provence	France	52,900	100%
Nantes - Angers	France	42,200	100%
Orleans - Ormes	France	51,500	37%
Paris - Aulnay-sous-Bois	France	3,600	100%
Paris - Bussy-Saint-Georges I	France	21,500	100%
Paris - Bussy-Saint-Georges II	France	18,800	100%
Paris - Bussy-Saint-Georges III	France	5,200	100%
Paris - Combs-la-Ville	France	41,600	100%
Paris - Cormeilles en Parisis	France	6,800	100%
Paris - Dammartin-en-Goele	France	19,700	100%
Paris - Ferrieres-en-Brie	France	42,800	100%
Paris - Garges-les-Gonesse	France	1,900	100%
Paris - La Courneuve	France	1,900	100%
Paris - Lagny-le-Sec	France	61,100	98%
Paris - Lieusaint	France	6,000	100%
Paris - Mitry I	France	14,200	100%
Paris - Mitry II	France	9,600	100%

Logistics Asset List (cont'd)

Asset Name	Country	Area (sqm)	Occupancy
Paris - Noisy-le-Grand	France	1,900	100%
Paris - Roissy-en-France	France	3,100	100%
Paris - Rosny-sur-Seine	France	19,400	100%
Paris - Saint Denis	France	3,700	100%
Paris - Sartrouville	France	4,200	100%
Paris - Servon	France	6,600	100%
Paris - Soissons	France	37,800	100%
Paris - Tremblay-en-France	France	3,400	100%
Paris - Villebon-sur-Yvette	France	72,000	100%
Paris - Villetaneuse	France	4,400	100%
Rhone Alpes - Portes de Provence I	France	25,400	100%
Rhone Alpes - Portes de Provence II	France	36,100	100%
Toulouse - Montbartier	France	31,700	–
Total France (48)		**1,255,700**	**93%**
Berlin - Grossbeeren	Germany	13,500	100%
Berlin - Ludwigsfelde	Germany	9,000	100%
Bonn - Hennef	Germany	5,600	100%
Bremerhaven	Germany	20,400	100%
Cologne - Pulheim	Germany	2,300	100%
Dortmund - Hamm	Germany	45,200	100%
Dortmund - Linderstrasse	Germany	21,600	100%
Dortmund - Werne	Germany	16,900	100%
Duisburg I	Germany	62,900	99%
Duisburg II	Germany	7,300	100%
Dusseldorf - Hucklehoven	Germany	123,000	100%
Dusseldorf - Viersen	Germany	10,900	100%
Erfurt	Germany	88,500	100%
Frankfurt I	Germany	5,200	100%
Frankfurt II	Germany	11,300	100%
Frankfurt - Linsengericht	Germany	21,800	100%
Frankfurt - Raunheim	Germany	3,500	100%
Frankfurt - Waldlaubersheim	Germany	47,000	100%
Hassfurt	Germany	10,400	100%

Asset Name	Country	Area (sqm)	Occupancy
Karlsruhe	Germany	37,600	100%
Kassel - Bad Hersfeld I	Germany	73,300	100%
Kassel - Bad Hersfeld II	Germany	4,300	0%
Kassel - Borken	Germany	40,500	100%
Kassel - Michelsrombach	Germany	38,700	100%
Leipzig - Halle	Germany	27,900	100%
Leverkusen - Monheim	Germany	16,600	100%
Mannheim	Germany	7,300	100%
Neunkirchen	Germany	13,900	100%
Nuremberg - Feucht	Germany	19,000	100%
Nuremberg - Rittigfeld	Germany	55,300	100%
Rennerod	Germany	71,300	100%
Stuttgart - Gartringen	Germany	54,100	100%
Stuttgart - Schwabisch Gmund	Germany	15,100	100%
Total Germany (33)		**1,001,200**	**100%**
Birmingham	United Kingdom	37,500	100%
Burton-Upon-Trent	United Kingdom	14,000	100%
Desborough	United Kingdom	43,500	100%
Hinckley	United Kingdom	33,700	100%
Lichfield I	United Kingdom	10,900	–
Lichfield II	United Kingdom	4,600	–
Motherwell I	United Kingdom	13,500	100%
Motherwell II	United Kingdom	6,700	100%
Newport	United Kingdom	23,700	100%
Northampton	United Kingdom	18,300	100%
Nuneaton	United Kingdom	17,600	100%
Oldham	United Kingdom	17,000	100%
Stafford I	United Kingdom	51,300	100%
Stafford II	United Kingdom	21,400	100%
Stafford III	United Kingdom	11,900	100%
Stockport	United Kingdom	10,800	100%
Warrington	United Kingdom	13,100	100%
Widnes	United Kingdom	10,000	–

Logistics Asset List (cont'd)

Asset Name	Country	Area (sqm)	Occupancy
Worcester I	United Kingdom	15,100	–
Worcester II	United Kingdom	13,100	100%
Worcester III	United Kingdom	4,800	100%
Worcester IV	United Kingdom	2,700	100%
Total United Kingdom (22)		**395,200**	**90%**
Boras	Sweden	22,800	100%
Eskilstuna	Sweden	19,500	100%
Gothenburg - Arendal I	Sweden	20,500	97%
Gothenburg - Arendal II	Sweden	18,200	0%
Gothenburg - Landvetter	Sweden	12,900	100%
Gothenburg - Ostergarde	Sweden	18,800	100%
Jonkoping I	Sweden	40,500	100%
Jonkoping II	Sweden	18,400	100%
Jonkoping III	Sweden	14,300	100%
Lulea	Sweden	7,900	100%
Malmo	Sweden	12,400	99%
Malmo - Landskrona I	Sweden	53,700	100%
Malmo - Landskrona II	Sweden	45,100	100%
Malmo - Landskrona III	Sweden	33,500	100%
Orebro I	Sweden	8,000	100%
Orebro II	Sweden	13,200	100%
Stockholm - Eskilstuna	Sweden	11,200	100%
Stockholm - Haninge	Sweden	27,600	100%
Stockholm - Skogas	Sweden	13,300	100%
Stockholm - Tumba	Sweden	33,500	99%
Trollhattan	Sweden	17,500	100%
Total Sweden (21)		**462,800**	**96%**
Katowice - Bedzin	Poland	54,500	92%
Katowice - Raciborz	Poland	21,800	100%
Katowice - Sosnowiec	Poland	47,100	98%
Poznan	Poland	45,400	100%

Asset Name	Country	Area (sqm)	Occupancy
Warsaw - Annopol	Poland	35,900	100%
Warsaw - Okecie	Poland	38,700	88%
Wroclaw - Kepinska	Poland	46,300	100%
Wroclaw - Kieczowska	Poland	38,800	100%
Wroclaw - Przedwiosnie	Poland	25,900	100%
Total Poland (9)		**354,400**	**97%**
Aarhus	Denmark	58,500	100%
Aarhus - Frederica	Denmark	28,200	100%
Copenhagen - Greve	Denmark	19,500	100%
Copenhagen - Melby I	Denmark	14,600	100%
Copenhagen - Melby II	Denmark	24,100	100%
Copenhagen - Taastrup I	Denmark	15,900	100%
Copenhagen - Taastrup II	Denmark	67,900	100%
Total Denmark (7)		**228,700**	**100%**
Madrid - Avenida del Río Henares I	Spain	84,000	100%
Madrid - Avenida del Río Henares II	Spain	35,200	100%
Madrid - Avenida la Ballestera	Spain	8,600	–
Madrid - Calle los Corrales	Spain	14,900	100%
Valencia - Cheste	Spain	53,900	100%
Valencia	Spain	19,200	100%
Total Spain (6)		**215,800**	**96%**
Bologna - Modena	Italy	21,000	100%
Milan - Linate	Italy	10,900	100%
Milan - Pozzuolo	Italy	36,800	100%
Milan - via Dante	Italy	46,100	100%
Rome - Aprilia	Italy	32,300	100%
Total Italy (5)		**147,100**	**100%**

Logistics Asset List (cont'd)

Asset Name	Country	Area (sqm)	Occupancy
Amsterdam - Schiphol	Netherlands	37,800	63%
Dordrecht	Netherlands	33,600	100%
Tiel	Netherlands	22,600	37%
Vianen - Laanakkerweg	Netherlands	37,100	100%
Vianen - Randweg	Netherlands	23,600	100%
Total Netherlands (5)		**154,700**	**82%**
Oslo - Frogner I	Norway	12,600	100%
Oslo - Frogner II	Norway	6,900	100%
Total Norway (2)		**19,500**	**100%**
Helsinki - Orimattila	Finland	28,400	100%
Total Finland (1)		**28,400**	**100%**
Thessaloniki	Greece	33,100	100%
Total Greece (1)		**33,100**	**100%**
Mohlin	Switzerland	16,000	100%
Total Switzerland (1)		**16,000**	**100%**
Total BPPEH Logistics (161)		**4,312,600**	**95%**

Residential

BPPEH owns a €1.9 billion portfolio of 530 high-quality residential properties in Germany and the Netherlands.

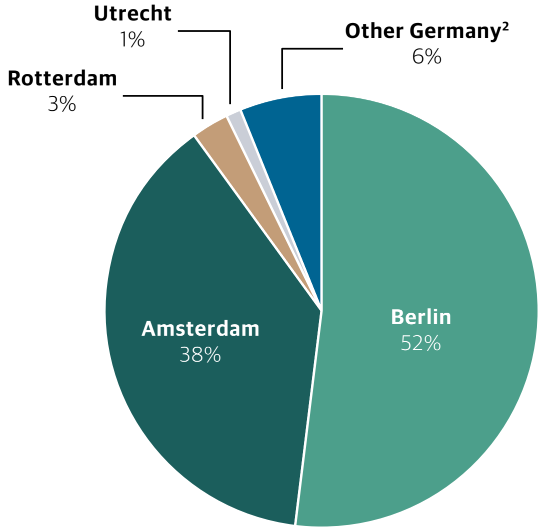
€1.9B
GAV

6.3K
residential units

84%
occupancy[1]

530
properties

Geographic Allocation
(% of GAV)



1. Represents occupancy of residential units only. Adjusting for vacancy due to refurbishment, average residential occupancy would be 97% as of 31 December 2020.
2. Includes Brandenburg, Dresden, Magdeburg and Potsdam.

Residential Portfolio Summary

Residential assets represent approximately 24% of BPPEH's GAV as of 31 December 2020. Our residential portfolio is concentrated in Berlin and Amsterdam, which together represent 90% of our residential portfolio by GAV. These markets have continued to demonstrate strong demand amidst structural undersupply, maintaining residential vacancy at frictional levels.

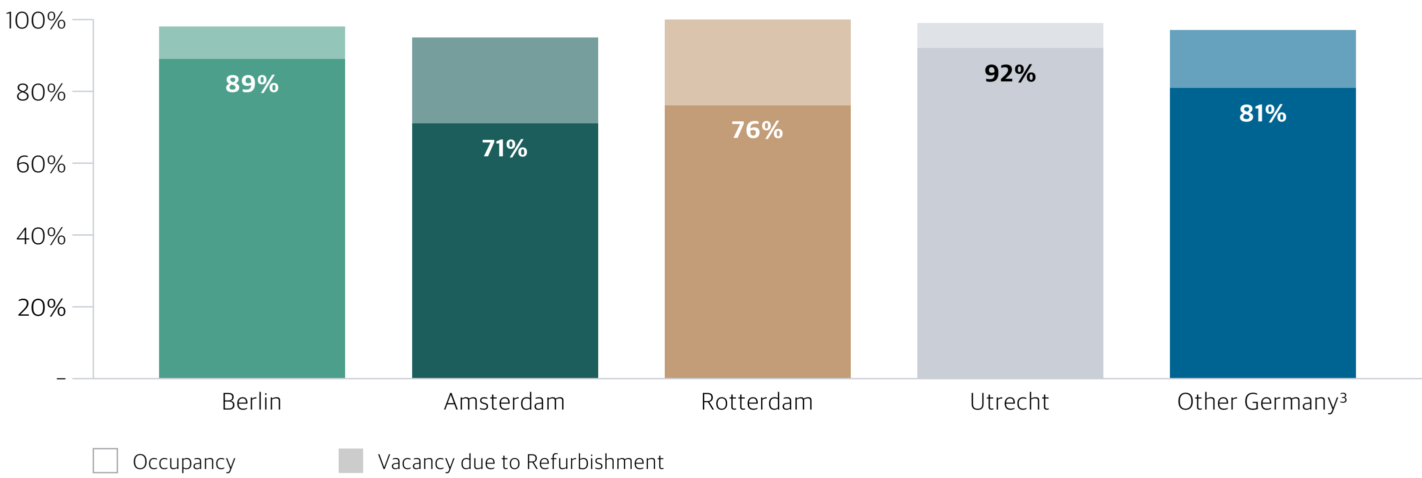
While underlying market fundamentals remain favourable, passing rent per square metre in our residential portfolio declined 12% on a like-for-like basis primarily due to the implementation of the previously-announced rent regulations in Berlin. Occupancy also decreased by 301 bps on a like-for-like basis, largely due to the ongoing refurbishment of units prior to releasing. Adjusting for vacancy due to refurbishment, BPPEH's average residential occupancy as of 31 December 2020 would be 97%.

Our portfolio is reversionary, with in-place rents below market levels. We are focused on selectively upgrading and maintaining the units in our portfolio to a high standard. We refurbished and released 172 units and invested €29 million of capex into our portfolio during 2020.

The impact of COVID-19 on our residential portfolio has been limited, driven by the assets' meaningfully below-market rents as well as government measures that have focused on providing income support directly to individuals. Q4 rent collections from our residential units were only slightly below historical levels. Including commercial units, rent collections were 1 percentage point below typical rates.

			Number of Units				
City	GAV (€m)	Number of Assets	Residential	Commercial	Total	Occupancy[1]	Passing Rent (€/sqm/mo)
Berlin	973	129	3,699	289	3,988	89%	7.0
Amsterdam	703	283	1,459	131	1,590	71%	17.3
Rotterdam	59	52	244	32	276	76%	9.6
Utrecht	20	19	77	9	86	92%	17.8
Other Germany	109	47	870	61	931	81%	6.9
Total / Weighted Avg.	**1,864**	**530**	**6,349**	**522**	**6,871**	**84%**	**9.1**
2019 Total / Weighted Avg.	1,599	367	5,609[2]	456[2]	6,065	89%	9.4
LfL Change	**(1.9)%**	**-**	**-**	**-**	**-**	**(301) bps**	**(11.9)%**

Occupancy by City



1. Represents occupancy of residential units only. Adjusting for vacancy due to refurbishment, average residential occupancy would be 97% as of 31 December 2020.
2. Number of residential units restated following a reclassification of one unit to commercial use.
3. Includes Brandenburg, Dresden, Magdeburg and Potsdam.

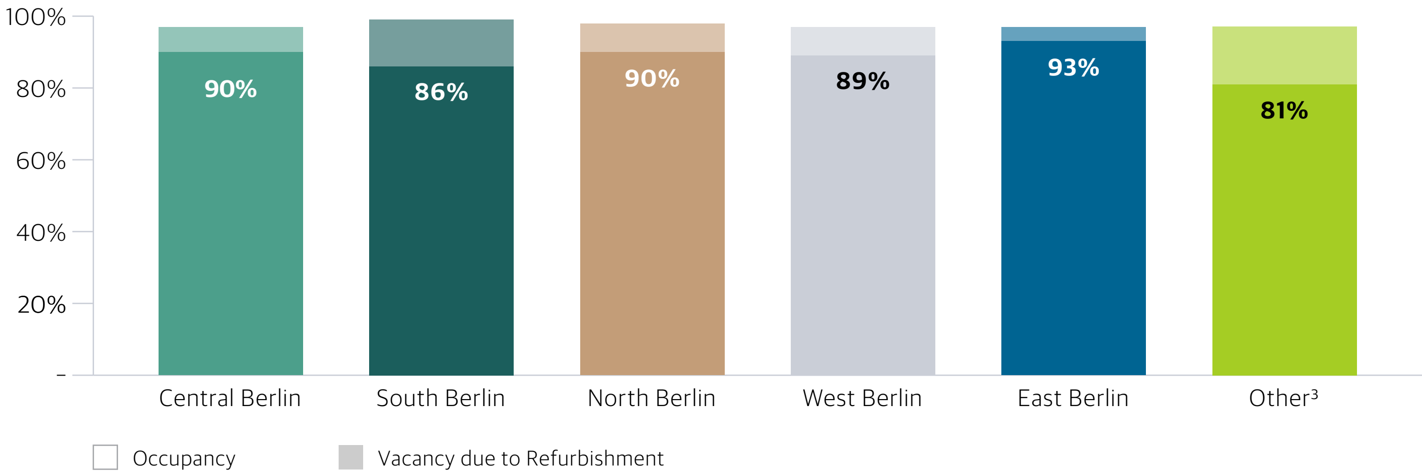
German Residential Portfolio Summary

BPPEH owns a high-quality, well-located portfolio of residential assets in Germany. Over half of our German residential portfolio is located in the prime districts of Mitte, Charlottenburg-Wilmersdorf and Friedrichshain-Kreuzberg in Berlin, with the remainder concentrated in attractive neighbourhoods with strong demographic and economic fundamentals. Our Berlin portfolio has an average Walk Score of 83 (out of 100), illustrating our properties' strong micro-locations. Altbau[1] properties account for 74% of GAV. In addition, our portfolio is highly granular, with 26 residential units per asset on average.

While we continue to believe in the long-term fundamentals of the Berlin residential market, there remains considerable uncertainty given the current political and regulatory climate. As a result, the value of our German residential portfolio declined by 1% on a like-for-like basis. As of 31 December 2020, our Berlin residential portfolio represented 13% of BPPEH's GAV and 8% of BPPEH's rental income.

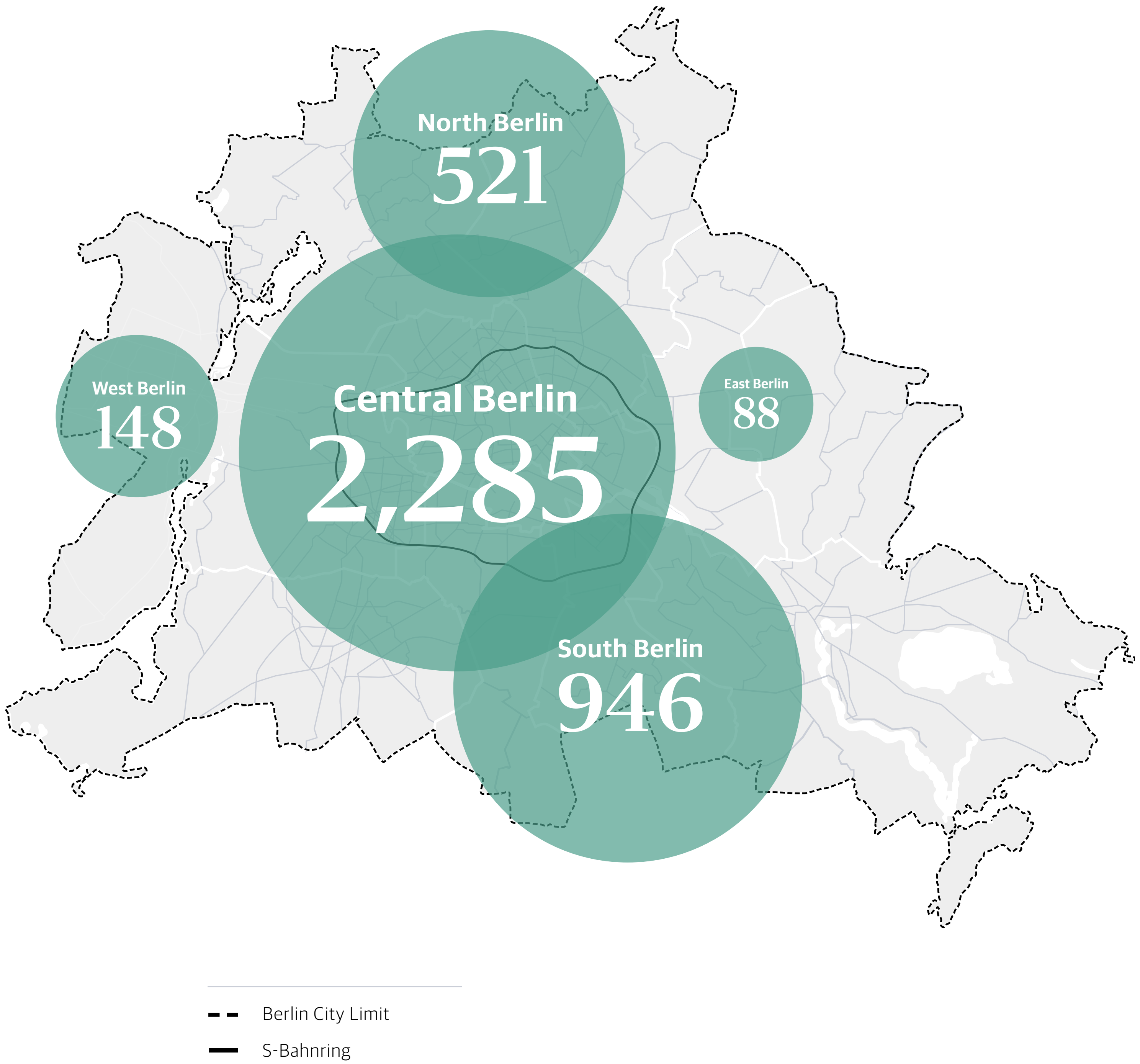
Submarket	GAV (€m)	Number of Assets	Number of Units: Residential	Commercial	Total	Occupancy[2]	Passing Rent (€/sqm/mo)
Central Berlin	531	58	2,156	129	2,285	90%	6.8
South Berlin	244	37	852	94	946	86%	6.9
North Berlin	151	22	478	43	521	90%	7.6
West Berlin	30	8	128	20	148	89%	6.6
East Berlin	18	4	85	3	88	93%	7.9
Other[3]	109	47	870	61	931	81%	6.9
Total / Weighted Avg.	**1,082**	**176**	**4,569**	**350**	**4,919**	**88%**	**7.0**
2019 Total / Weighted Avg.	1,094	176	4,585	350	4,935	90%	8.2
LfL Change	**(1.1)%**	**–**	**–**	**–**	**–**	**(187) bps**	**(15.3)%**

Occupancy by Submarket



Note: Totals may not sum due to rounding.
1. Altbau refers to properties built before 1930.
2. Represents occupancy of residential units only. Adjusting for vacancy due to refurbishment, average residential occupancy would be 98% as of 31 December 2020.
3. Includes Brandenburg, Dresden, Magdeburg and Potsdam.

Berlin Residential Portfolio Map[1]



1. Geographic allocation based on total units. Excludes units in Brandenburg, Dresden, Magdeburg and Potsdam.

Dutch Residential Portfolio Summary

BPPEH has assembled a high-quality portfolio of exceptionally well-located residential assets in the Netherlands primarily through off-market transactions. As of 31 December 2020, the portfolio comprised 1,780 residential units in Amsterdam, Rotterdam and Utrecht, with virtually all properties located within a 10- to 15-minute bicycle ride of the historic city centres.

During 2020, we acquired an additional 741 residential units in the Netherlands for an all-in cost of €288 million. The assets are located in central Amsterdam (90% of value), Utrecht (7%) and Rotterdam (3%).

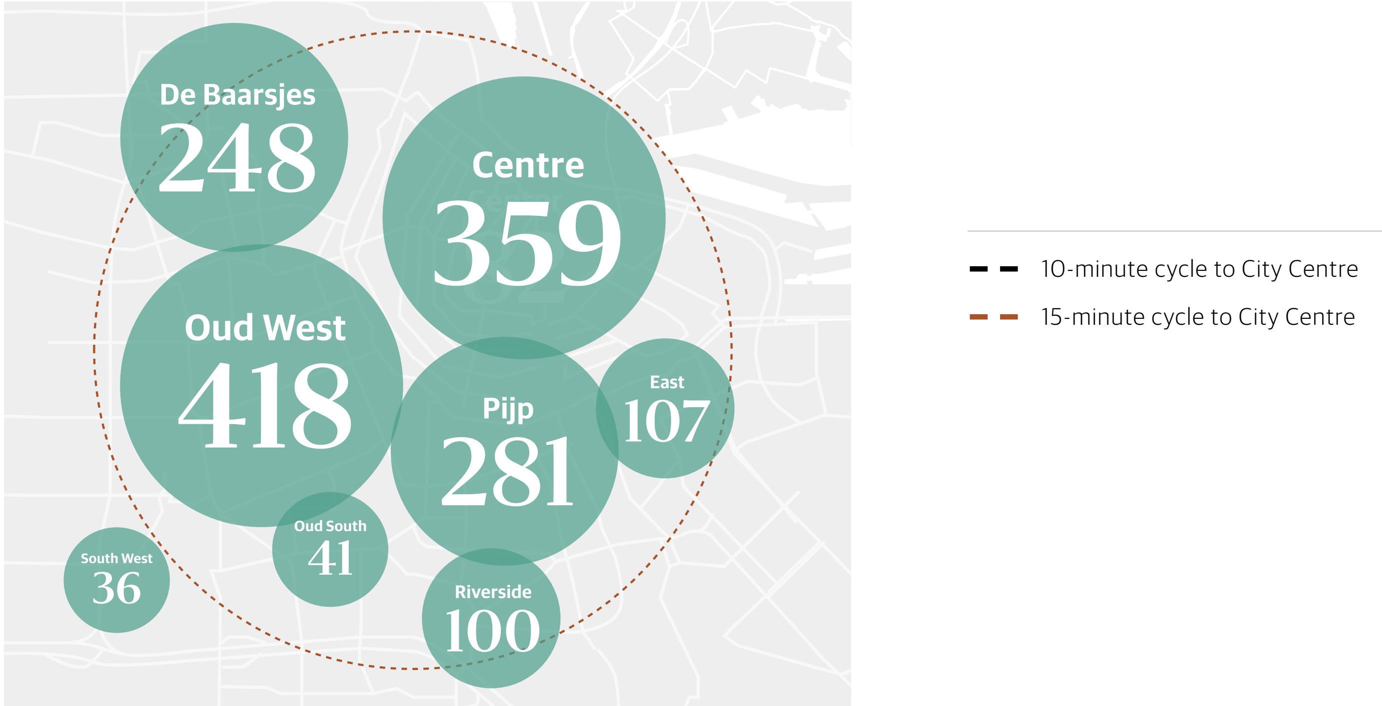
While operating performance has been positive, GAV declined by 3.5% on a like-for-like basis primarily due to the increase in real estate transfer tax for residential and commercial transactions in the Netherlands. We continue to implement sustainable capex programmes aimed at improving the quality of our assets and adding supply through attic conversions and renovation of previously unlettable units. Vacancy increased during 2020 as we complete refurbishment works prior to releasing.

			Number of Units				
Submarket	GAV (€m)	Number of Assets	Residential	Commercial	Total	Occupancy[1]	Passing Rent (€/sqm/mo)
Amsterdam	703	283	1,459	131	1,590	71%	17.3
Rotterdam	59	52	244	32	276	76%	9.6
Utrecht	20	19	77	9	86	92%	17.8
Total / Weighted Avg.	**782**	**354**	**1,780**	**172**	**1,952**	**73%**	**16.2**
2019 Total / Weighted Avg.	504	191	1,024[2]	106[2]	1,130	84%	15.0
LfL Change	**(3.5)%**	**-**	**-**	**-**	**-**	**(801) bps**	**(0.1)%**

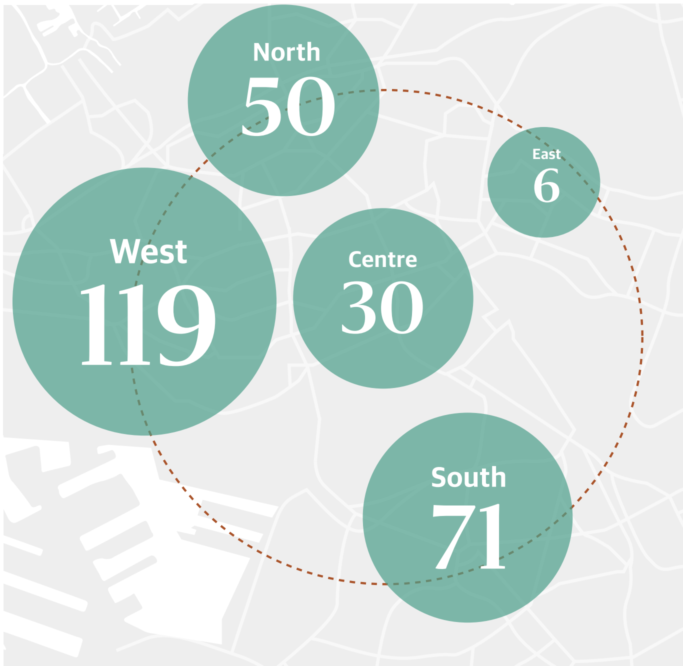
1. Represents occupancy of residential units only. Adjusting for vacancy due to refurbishment, average residential occupancy would be 96% as of 31 December 2020.
2. Number of residential units restated following a reclassification of one unit to commercial use.

Dutch Residential Portfolio Maps[1]

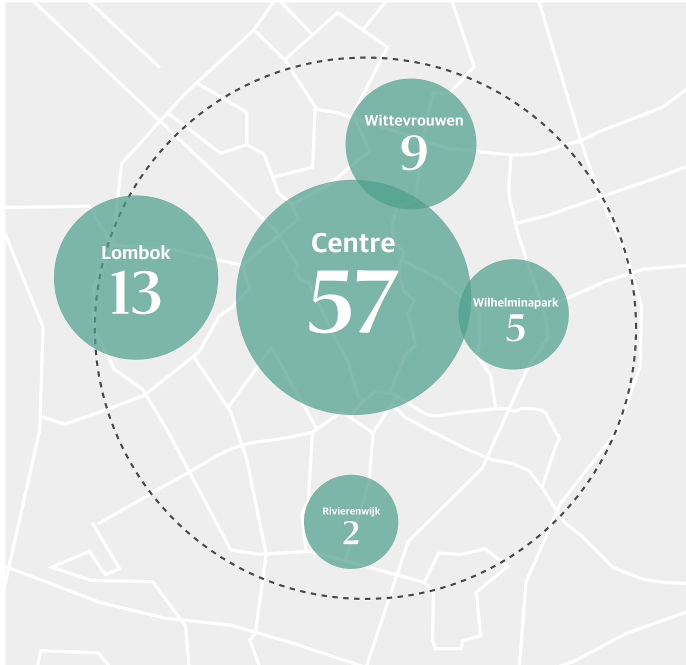
Amsterdam



Rotterdam



Utrecht



1. Geographic allocation based on total units.

Office

BPPEH owns a €1.2 billion portfolio of ten high-quality office properties located in Berlin, Paris, Munich, Barcelona, Milan and Rome. The portfolio is 95% leased on a 3.9-year WALL at rents on average 28% below market.

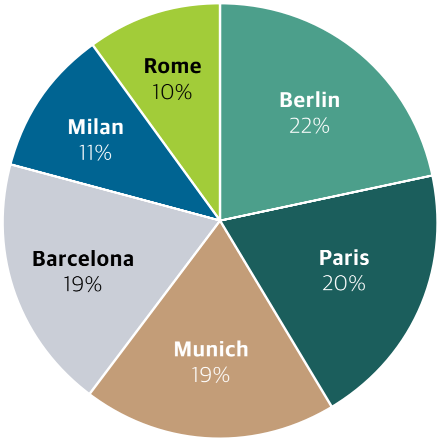
€1.2B
GAV

169K
square metres

95%
occupancy

3.9 Years
WALL

Geographic Allocation
(% of GAV)



Note: Totals may not sum due to rounding.

Office Asset List

Pariser Platz
Berlin, Germany: 9k sqm

Leibniz Kolonnaden
Berlin, Germany: 16k sqm

Arabella
Munich, Germany: 49k sqm

Ilot Panhard
Paris, France: 22k sqm

Scarsellini
Milan, Italy: 18k sqm

Amedeo
Milan, Italy: 7k sqm

Palazzo Luigi Sturzo
Rome, Italy: 10k sqm

Quirinale
Rome, Italy: 9k sqm

Quattro Fontane
Rome, Italy: 2k sqm

Avenida Diagonal
Barcelona, Spain: 28k sqm

Green Certified Building

Office Portfolio Summary

Office assets represent approximately 16% of BPPEH's GAV as of 31 December 2020. We continue to focus on acquiring high-quality office assets located in dynamic, innovation-focused cities across Europe, which are benefitting from attractive fundamentals and favourable urbanisation trends.

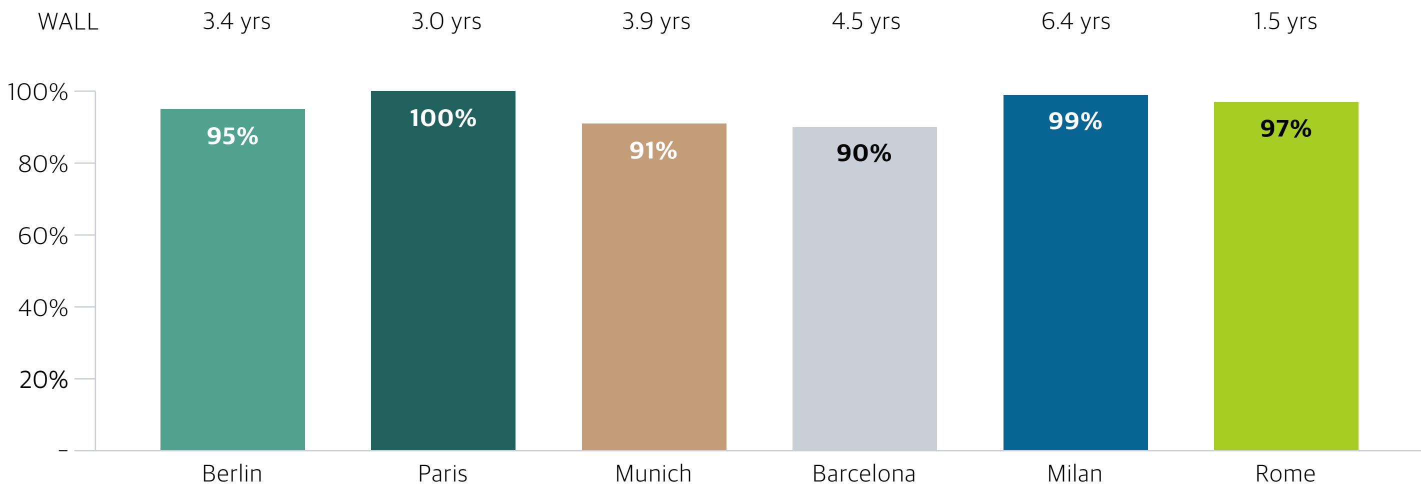
Approximately one-quarter of our office portfolio is located in Berlin, where we own two prime assets in trophy locations on Pariser Platz and Leibnizstrasse just off of Kurfürstendamm. We also own high-quality assets located in Paris' 13th arrondissement, on Avenida Diagonal in Barcelona, in the Arabella submarket of Munich and in Rome's CBD and EUR submarkets. In December, we completed our first office acquisition since 2018 with the purchase of two high-quality, well-located office properties in Milan for an all-in cost of €139 million.

Our office portfolio was well-leased as of 31 December 2020, with 95% occupancy and a 4-year WALL. In-place rents are 28% below market on average, offering embedded NOI growth potential over time. Occupancy declined 113 bps on a like-for-like basis during 2020 as a result of several lease expiries and slower leasing momentum due to COVID-19 restrictions. Leasing discussions are ongoing and we expect to capture meaningful rent reversion as these spaces are released. During the year, the passing rent per square metre increased 2.3%, contributing to a like-for-like change in GAV of 0.5%.

While COVID-19 has had a more significant impact on the office sector, we believe our portfolio is well-positioned due to our presence in submarkets with low vacancy and attractive supply-demand fundamentals, our longer leases and the creditworthiness of our tenants. In particular, we have almost no exposure to the serviced office sector. The collection rate for Q4 rents was 2 percentage points below typical rates.

City	GAV (€m)	Number of Assets	Area ('000 sqm)	Occupancy	WALL (years)	Passing Rent (€/sqm/year)
Berlin	266	2	24	95%	3.4	263
Paris	248	1	22	100%	3.0	381
Munich	233	1	49	91%	3.9	184
Barcelona	229	1	28	90%	4.5	275
Milan	141	2	25	99%	6.4	297
Rome	118	3	21	97%	1.5	257
Total / Weighted Avg.	**1,235**	**10**	**169**	**95%**	**3.9**	**272**
2019 Total Weighted Avg.	1,090	8	137	95%	4.0	269
LfL Change	**+0.5%**	**-**	**-**	**(113) bps**	**(0.6) years**	**+2.3%**

Occupancy and WALL by City



Tenant Overview

BPPEH's office portfolio is comprised of institutional grade occupiers. As of 31 December 2020, the top five tenants represented 50% of passing rent and had a WALL of four years. Major tenants include:

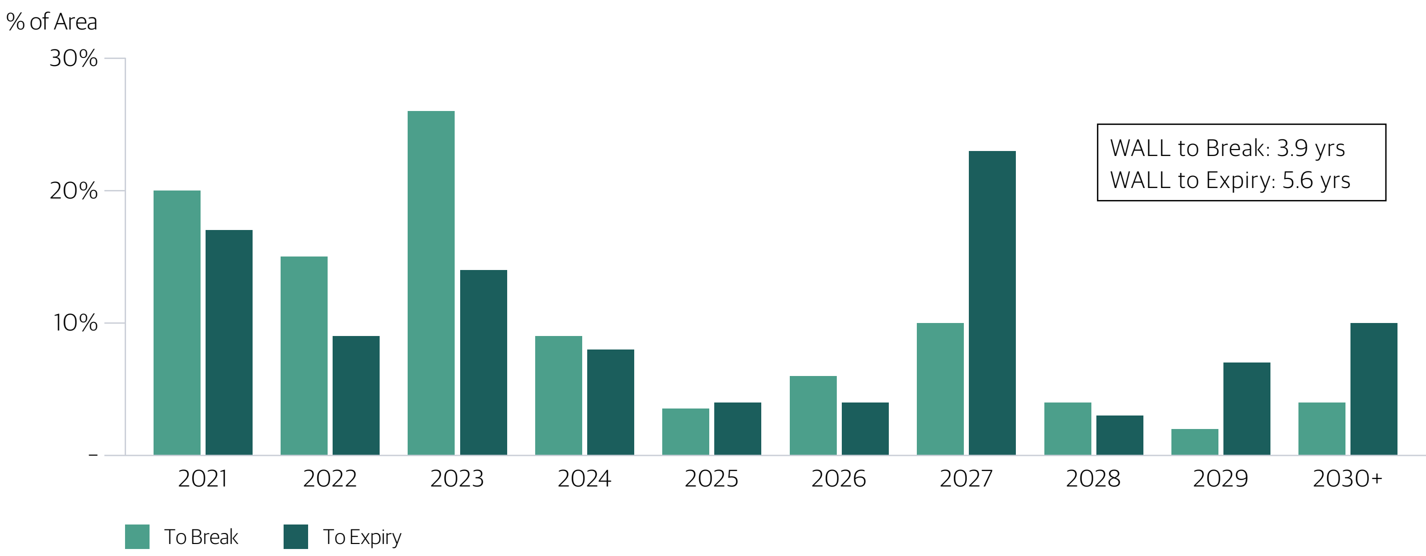
AREP[1] AVIVA Grupo Planeta

IVASS Istituto per la Vigilanza sulle Assicurazioni PULS REWE

Leasing Activity

In 2020, we signed lease agreements amounting to 6.8k square metres across our office portfolio and achieved an average releasing spread of 34% for all leases on previously occupied space. Releasing activity consisted primarily of a 4.9k square metre lease signed at our office asset on Via Principe Amedeo in Milan, which was agreed at a 27% premium to prior in-place rents. Leases with break options or expiries during the year totalled 15k square metres, for which we achieved a retention ratio of 67%.

Lease Maturity Profile



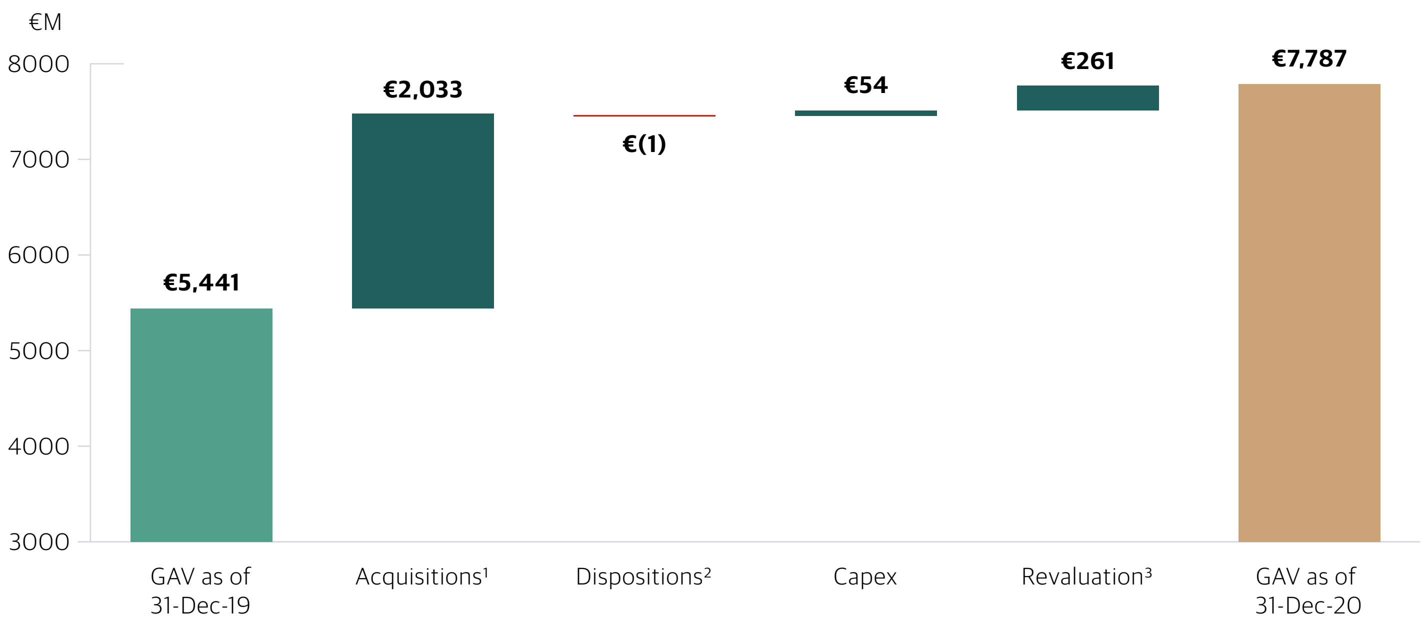
1. AREP is a subsidiary of SNCF Gares & Connexions, the French government-owned national railway owner / operator.

Portfolio Valuation

BPPEH's portfolio had a total value of €7.8 billion as of 31 December 2020, representing a weighted average NOI yield of 3.8%.

GAV Bridge

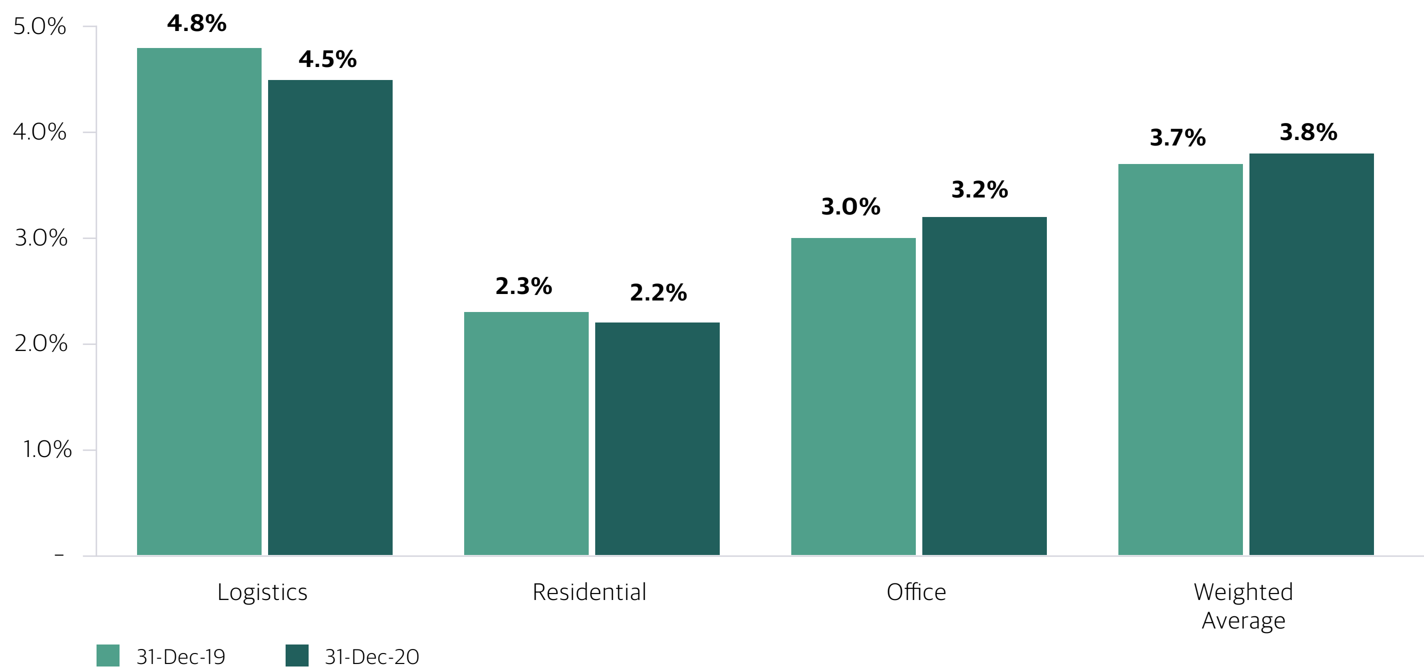
BPPEH's GAV increased by €2.3 billion during the year to €7.8 billion as of 31 December 2020. This increase was largely attributable to the acquisition of logistics properties located in the United Kingdom, France, Germany and the Nordics. We invested approximately €54 million of capex into our portfolio during 2020, predominantly in our residential and logistics assets. The revaluation of €261 million represents a 2.6% increase on a like-for-like basis.



Note: "GAV" calculated at 100% share (including the portion attributable to minority owners). See definitions on page 88.
1. Investment cost adjusted for any latent capital gains tax liability. Excludes transaction costs.
2. Reflects carrying value as of 31 December 2019.
3. Includes FX movements.

NOI Yields

BPPEH's portfolio had an NOI yield of 3.8% as of 31 December 2020. Overall, yields for our logistics and residential portfolio tightened, while our office yields increased during 2020. The yield compression in the logistics portfolio is largely attributable to the increasingly favourable operational and investment market trends in the European logistics market. In our residential portfolio, the decrease in yield is primarily due to the temporary higher vacancy as we continue to complete refurbishment works. In our office portfolio, yields expanded primarily as a result of the acquisition of two office properties in Milan at a higher NOI yield than that of our existing office portfolio.



Note: "NOI Yield" calculated as Adjusted NOI divided by GAV. See definitions on page 88.

Capital Structure

BPPEH has a robust capital structure, with primarily unsecured debt and a staggered maturity profile.

47%
net LTV

BBB (stable outlook)
S&P credit rating

1.6%
weighted average interest rate

4.5 yrs
weighted average maturity

Overview

BPPEH employs a prudent financial policy, including a target LTV of 45-50%. As of 31 December 2020, BPPEH had €4.0 billion of debt outstanding at a weighted average interest rate of 1.6% and a weighted average maturity of 4.5 years. Net debt totalled €3.7 billion, implying a net LTV of 47%.

BPPEH has access to diversified debt financing sources and currently employs a mix of unsecured notes, bank facilities and limited secured debt. The bank facilities we have put in place enable us to continue our growth while accessing the bond markets in a disciplined manner.

BPPEH has a staggered debt maturity profile, with no maturities until July 2022. In addition, BPPEH has a robust liquidity position with total available funds of €836 million as of 31 December 2020. This was comprised of €266 million of unrestricted cash and €570 million of availability under BPPEH's revolving credit facility. During 2020, we increased the size of BPPEH's revolving credit facility from €280 million to €600 million, resulting in additional liquidity for BPPEH.

As a wholly-owned indirect subsidiary of BPPE, Blackstone's open-ended European core+ real estate fund, BPPEH benefits from excellent access to new growth capital. The fund is supported by a strong institutional investor base and expects to continue to have quarterly closings going forward. Importantly, there is no legal obligation for BPPE to sell assets to meet any redemption requests. In addition, neither BPPE nor BPPEH have any pre-defined dividend commitments, providing further financial flexibility.

Debt Financing Sources

Unsecured Notes

BPPEH established an EMTN programme on 21 June 2018 and currently has €3.45 billion of unsecured notes outstanding. BPPEH's unsecured notes have robust covenant requirements[1], including:

- Total debt to total assets < 60%
- Secured debt to total assets < 40%
- Interest coverage ratio > 1.5x
- Unencumbered assets to unsecured debt > 150%

BPPEH was in compliance with all of its covenants as of 31 December 2020.

Acquisition Facilities

BPPEH generally finances acquisitions with borrowings under an acquisition facility at closing. As of 31 December 2020, BPPEH had €1.8 billion of soft commitments from a group of banks to provide unsecured term loans on new acquisitions at up to 50% loan-to-cost. The acquisition facilities have an interest rate of Euribor + 1.40% and a maturity of three years without prepayment limitations.[2] The soft commitments to the acquisition facilities were increased to €1.8 billion from €1.5 billion during 2020.

Acquisition facilities allow BPPEH the flexibility to close on investments quickly while maintaining a prudent capital structure. BPPEH intends to repay these facilities periodically with proceeds from additional issuances under its EMTN programme. The medium term maturity of the acquisition facilities provides BPPEH the ability to access the bond markets in an orderly manner.

BPPEH had €332 million outstanding under its acquisition facilities as of 31 December 2020.

Revolving Credit Facility

During 2020, BPPEH refinanced its existing revolving credit facility. The new facility was upsized from €280 million to €600 million, providing BPPEH with greater liquidity. In addition, the interest rate was reduced to Euribor + 1.00% and the maturity was extended to five years.[3]

BPPEH had €30 million drawn under its revolving credit facility as of 31 December 2020.

Mortgage Loans

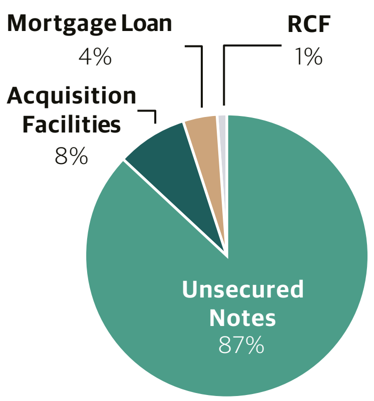
While BPPEH intends to primarily utilise unsecured debt going forward, there may be certain instances where we use mortgage financing. During 2020, we repaid €66 million of mortgage debt at maturity with proceeds from the issuance of unsecured notes. As of 31 December 2020, BPPEH had a £130 million (€145 million) mortgage loan outstanding, which was assumed in connection with the acquisition of certain investment properties during the year. We intend to refinance this loan with unsecured notes upon its maturity.

1. BPPEH's acquisition and revolving credit facilities are subject to the same requirements.
2. Interest rate steps up to Euribor + 1.65% in year 2 and Euribor + 1.90% in year 3. Euribor may be substituted by any other relevant interbank rate for non-Euro denominated draws.
3. Euribor may be substituted by any other relevant interbank rate for non-Euro denominated draws.

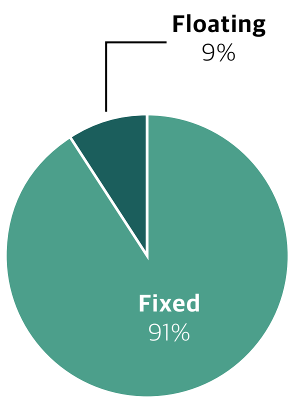
Debt Summary

As of 31 December 2020, BPPEH's debt consisted primarily of fixed rate unsecured notes.

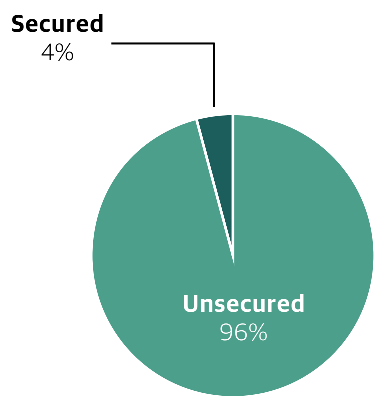
Debt by Type



Fixed vs. Floating

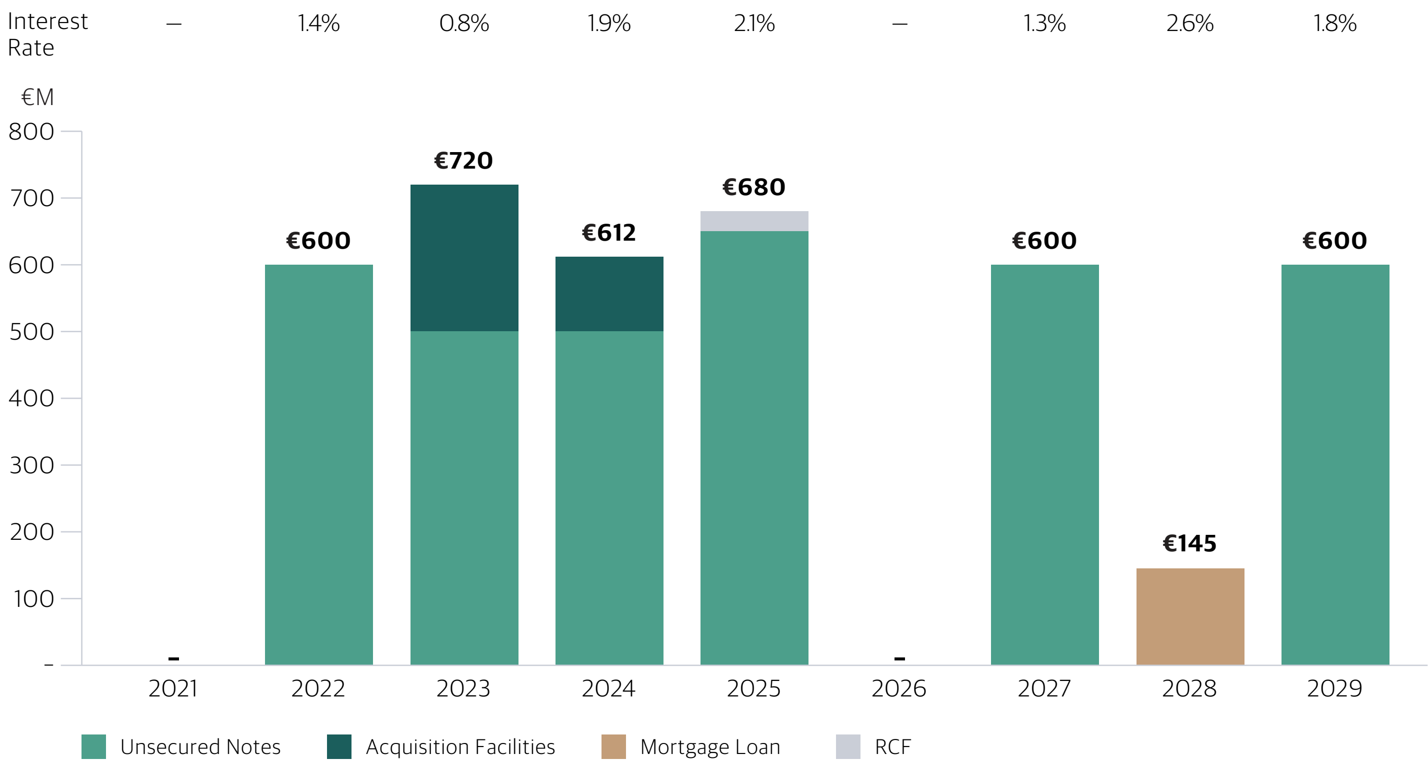


Secured vs. Unsecured



Debt Maturity Profile[1]

As of 31 December 2020, BPPEH's debt had a 4.5-year weighted average maturity, with no debt maturities until July 2022. BPPEH's weighted average interest rate was 1.6%.



1. Debt maturity profile reflects fully extended maturity dates and excludes principal amortisation. Interest rate represents weighted average all-in interest rate.

Capital Structure Summary

	As of 31-Dec-20			As of 31-Dec-19		
	€m	Interest Rate¹	WAM² (years)	€m	Interest Rate¹	WAM² (years)
Unsecured Notes	3,450	1.5%	4.5	2,850	1.6%	5.1
Acquisition Facilities	332	1.4%	3.0	-	-	-
Mortgage Loans	145	2.6%	7.9	66	3.1%	1.0
Revolving Credit Facility	30	1.0%	4.4	5	1.1%	1.9
Total Debt	**€3,957**	**1.6%**	**4.5**	**€2,922**	**1.6%**	**5.0**
Less: Cash	(276)			(440)		
Net Debt	**€3,681**			**€2,482**		
GAV	**€7,787**			**€5,441**		
Net LTV	**47%**			**46%**		
% Unsecured Debt	96%			98%		
% Fixed Rate Debt³	91%			100%		
Available Liquidity	€836			€709		

1. Weighted average all-in interest rate.
2. Weighted average fully extended debt maturity.
3. Includes debt that has been swapped from floating to fixed rate as of 31 December 2019.

Key Financial Metrics

KPIs

Number of Assets	701
GLA	4.9m sqm
Occupancy	94%
WALL	4 years
Below Market Rents	16%

Balance Sheet Highlights

	€m
GAV	7,787
Total Debt	3,957
Cash	276
Net Debt	3,681
LTV	47%

Profit & Loss Summary by Sector

€m	Net Turnover	(Net Operating Expenses)	(Straight Line Rent Adjustment)	NOI	(Other Expenses)	+ Straight Line Rent Adjustment	EBITDA
Logistics	**168.7**	(4.0)	(3.4)	**161.3**	(19.0)	3.4	**145.7**
Residential	**47.4**	(10.8)	(0.1)	**36.5**	(17.1)	0.1	**19.5**
Office	**33.5**	(2.2)	(2.7)	**28.6**	(4.2)	2.7	**27.1**
Total	**249.6**	**(17.0)**	**(6.2)**	**226.4**	**(40.3)**	**6.2**	**192.3**

Profit & Loss Summary by Country

€m	Net Turnover	(Net Operating Expenses)	(Straight Line Rent Adjustment)	NOI	(Other Expenses)	+ Straight Line Rent Adjustment	EBITDA
Germany	**89.3**	(7.9)	(1.3)	**80.1**	(19.7)	1.3	**61.7**
France	**55.5**	(1.9)	(1.7)	**51.9**	(5.6)	1.7	**48.0**
Netherlands	**23.3**	(3.8)	(0.4)	**19.1**	(5.3)	0.4	**14.2**
Sweden	**15.9**	(0.7)	–	**15.2**	(2.0)	–	**13.2**
Spain	**15.0**	(0.7)	(1.8)	**12.5**	(1.3)	1.8	**13.0**
Poland	**14.4**	(0.6)	0.1	**13.9**	(1.5)	(0.1)	**12.3**
Italy	**13.6**	(1.3)	(0.2)	**12.1**	(2.0)	0.2	**10.3**
Denmark	**12.4**	(0.1)	0.1	**12.4**	(1.2)	(0.1)	**11.1**
United Kingdom	**4.3**	–	(1.0)	**3.3**	(0.8)	1.0	**3.5**
Switzerland	**1.9**	–	–	**1.9**	(0.3)	–	**1.6**
Finland	**1.8**	–	–	**1.8**	(0.1)	–	**1.7**
Norway	**1.8**	–	–	**1.8**	(0.3)	–	**1.5**
Greece	**0.4**	–	–	**0.4**	(0.2)	–	**0.2**
Total	**249.6**	**(17.0)**	**(6.2)**	**226.4**	**(40.3)**	**6.2**	**192.3**

Note: KPIs and balance sheet data as of 31 December 2020. Profit & loss data for the year ended 31 December 2020. See definitions on page 88.
Luxembourg GAAP Disclosure: During 2020, BPPEH did not carry out any research and development, buy back any of its own shares, or have any branches.

Subsequent Events

Since 31 December 2020, BPPEH has acquired a four-unit logistics park located in the United Kingdom for a gross purchase price of £119 million (approximately €137 million). The Grade-A, last mile logistics park comprises 317k square feet and is well-located just south of Heathrow Airport. The logistics park is 100% leased on a 5-year WALL to third-party logistics companies, cargo servicers and mail companies.

BPPEH also signed an agreement to acquire an approximately 74% interest in two high-quality office properties well-located in Dublin's city centre for a gross purchase price of €292 million. Closing is expected to occur in the first half of 2021.

We continue to monitor the COVID-19 outbreak and its impact on economic and market conditions. The rapid development and fluidity of this situation preclude any prediction as to the future impact on BPPEH's performance and financial results. There have been no subsequent events relating to COVID-19 requiring adjustments to BPPEH's consolidated accounts for the year ended 31 December 2020.

RESPONSIBLE INVESTING

Responsible Investing

Blackstone Responsible Investing Policy

Our commitment to corporate responsibility is embedded into every investment decision we make.

For over 35 years, Blackstone has been committed to being a responsible investor. This commitment is affirmed across the organisation and guides our approach to investing. We believe that adequate consideration of environmental, social, and governance ("ESG") factors for each potential investment enhances our assessment of risk and also helps us identify opportunities for transformation at each company where we invest. Consequently, we believe that a comprehensive ESG programme, aside from being the right thing, drives value and enhances returns. We also believe that understanding ESG factors helps us understand trends and how they will shape demand and markets in years to come. Our framework applies to all investment opportunities, though the exact application of that framework varies by asset class, investment objective and the unique characteristics of each investment.

Objectives:

- Integration: Consider environmental, social and governance issues when evaluating investment opportunities and when managing/monitoring portfolios and assets. Pursue high-quality sources of ESG data and intelligence; where appropriate, integrate that data into our research process and also use that data to enhance our understanding of markets and consumer trends. Actively use ESG considerations to transform our portfolio companies in ways that both manage risk and are value accretive for our investment portfolios. In addition, integrate ESG considerations into our business practices outside of the investment process.
- Engagement: Work together with our portfolio entities, managers, transaction partners, peers and other partners to advance principles of responsible investment and corporate social responsibility. Share our ESG philosophy broadly and use our leadership position to influence others and advance the dialogue of the importance of ESG integration in finance and for corporate actors generally.
- Reporting: Be transparent with our limited partners, unit holders and other stakeholders about Blackstone's responsible investing initiatives, successes and goals.

Approach and Responsibilities:

- Across all of Blackstone's businesses, ESG is core to what we do. Our approach includes an evaluation of ESG considerations (pre- and post-investment decision making) as a standard part of the investment and the asset / portfolio management process. Primary responsibility lies with our investment teams because these considerations support investment decisions. Together with Portfolio Operations and our asset management teams, the investment teams are also expected to continue to keep these issues front of mind through the life of the investment.
- The firm's Chief Sustainability Officer supports the investment and asset management teams by driving initiatives that are aimed at improving operational and environmental performance across the portfolio. Other functional experts within Portfolio Operations (including Talent Management, Procurement, and Enterprise Systems) are expected to consider ESG insights in delivering operating intervention capabilities across the portfolio.
- In November 2020, Blackstone hired its Global Head of Real Estate ESG, who works closely with the Real Estate asset management and investment teams to build on existing environmental, social and governance efforts and scale them across the firm's global real estate portfolio, ensuring that the firm's commitment to sustainability and diversity & inclusion are fully integrated across asset classes and geographies. The Global Head of Real Estate ESG coordinates with the firm-wide ESG team to ensure consistency in approach and, with the assistance of the Legal & Compliance department, compliance with this policy.
- The firm-wide ESG team is responsible for establishing and/or revising this Policy in consultation with the firm's ESG Steering Committee which is comprised of professionals from across the firm's business units and functional groups, investor reporting and also for reporting on ESG integration across the firm to Blackstone's President and Chief Operating Officer.

BPPEH ESG Initiatives

BPPEH is committed to being a responsible investor, and in 2020 we advanced a number of ESG initiatives across our portfolio. We look forward to carrying this momentum into 2021.

Dedicated & Focused Resources

Implementation	Ongoing Initiatives
Hired Global Head of ESG at Blackstone Real Estate	■ Appointing dedicated ESG leads at portfolio companies
Incorporated ESG factors into personnel performance targets	■ Holding trainings for real estate employees; trainings and knowledge sharing sessions for certain portfolio companies

Data Driven & Goal Oriented

Implementation	Ongoing Initiatives
Set 15% carbon emission reduction target across new investments where we control energy usage[1]	■ Seeking to track energy, water and / or waste use / spend as well as emissions to drive environmental results
Mandated one-third diverse representation on boards for new portfolio companies	■ Expanding ESG due diligence on potential investments; incorporating ESG considerations into our business plans

Proactive Engagement

Implementation	Ongoing Initiatives
Announced green clause requirement for new commercial leases to improve data collection[2]	■ Enhancing tenant, employee and community experience through capital improvements and care initiatives
Launched diversity initiatives to expand employment opportunities and drive broader economic mobility	■ Advancing diversity and inclusion through taskforce and affinity networks at Blackstone and portfolio companies

GRESB

First-time participant in 2020

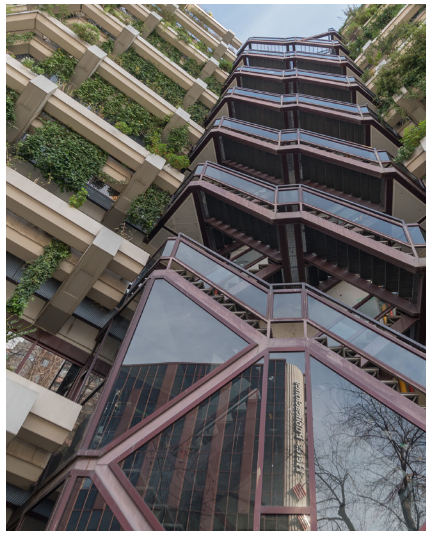
SUSTAINALYTICS

Second Party Opinion provided on BPPEH's Green Financing Framework[3]

Schneider Electric

Partnering to enhance utility usage and monitor spending

Note: While Blackstone believes ESG factors can enhance long-term value, BPPEH does not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria or standards. Any reference herein to environmental or social considerations is not intended to qualify our duty to maximize risk-adjusted returns.
1. Target carbon emissions reduction within first three years of ownership for investments acquired beginning in 2021.
2. Green lease clause requirements began in Q4'20.
3. Sustainalytics, a provider of environmental, social and governance (ESG) research and analysis, evaluated Blackstone Property Partners Europe Holdings S.à r.l.'s Green Financing Framework (the "Framework") and the alignment thereof with relevant market standards and provided views on the robustness and credibility of the Framework which views are intended to inform investors in general, and not for a specific investor.



Office

In our office portfolio, in 2020 we conducted sustainability audits on the majority of our office assets and obtained green certifications on our three German office properties (Arabella, Pariser Platz and Leibniz Kolonnaden). Including our office property in Paris and two green-certified office properties BPPEH acquired in Milan, Italy in December, a total of six of our office assets (representing 71% of our total office portfolio by area) have now obtained green certifications.

Our office asset in Barcelona, Avenida Diagonal, is currently undergoing a capex programme with an energy efficiency component that we expect will enable us to obtain a green certification upon completion.

Additionally, all of our office portfolio companies and operating partners are now working with local sustainability consultants to accelerate implementation of sustainability initiatives.

Logistics

In 2020, we engaged with a leading sustainability consultant to undertake a review of our logistics portfolio. A technical audit was completed, which enabled us to analyse the energy data across our portfolio and clearly define tenant and landlord obligations. As part of this audit, on-site assessments were conducted across more than 20% of the portfolio which have provided the basis for future portfolio-wide initiatives. We have also agreed with our operating partners that from 2021 onwards, 100% of new leases will include green clauses to further strengthen our relationships with tenants and improve our energy data coverage.

We plan to continue other initiatives in 2021, including utilising the data that has been aggregated during the audit process to direct our focus on the highest impact measures, which will include implementing energy efficiency measures, commencing a tenant engagement program, installing LED lighting, updating BMS to improve energy management, replacing boilers / HVAC systems where applicable and implementing solar panels where feasible.

Residential

In our residential portfolio, we continued to carry out sustainable capex programmes in 2020 with a focus on improving energy efficiency. During the year, we completed 172 renovations and achieved an A or B energy label certificate on 77% of the units that were renovated.

Across the residential platform, we also continued to enhance engagement with our tenants and the local communities at our Dutch residential portfolio with the inauguration of an annual tenant survey shared with over 800 tenants.

Risk Factors

The following are certain risk factors that could affect our business, net assets, financial condition, cash flows and results of operations. For further details of some of these risk factors and for additional risk factors that relate to us, please refer to the offering circular dated 22 September 2020 as most recently supplemented on 29 September 2020 (the "Offering Circular").

In addition to the risk factors presented below and in the Offering Circular, risks and uncertainties that are not presently known to us or are currently deemed to be immaterial may also have a material adverse effect on our business, financial condition and results of operations in the future. Although we have attempted to identify some of the significant risks and factors that could cause actual actions, events or results to differ materially from those described in or implied by our forward-looking statements, other factors and risks may cause actions, events or results to differ materially from those anticipated, estimated or intended.

The order in which the risks are presented is not an indication of the likelihood of the risks actually materialising, or the significance or degree of the risks or the scope of any potential harm to our business, net assets, financial condition, cash flows or results of operations. The risks mentioned herein may materialise individually or cumulatively.

Risks Related to the Market

- The ongoing coronavirus (COVID-19) outbreak has adversely impacted social life and global commercial activity and has significantly increased economic uncertainty. While the effects of the outbreak continue to be uncertain and its long-term impact cannot be accurately predicted, the persistence of the outbreak and the resulting business closures, travel restrictions and quarantine requirements continue to have an adverse impact on market conditions and have triggered a period of global economic slowdown, including in Europe. Such a slowdown, especially in the European market, may have adverse impacts on our financial performance, liquidity and profitability. In particular, our rental income may decline due to lower rent collection rates and default by our tenants, as well as rent reductions or deferrals, which we may agree with our tenants.
- Our operating results will be affected by economic and regulatory changes (including any such regulations that are implemented in response to the COVID-19 pandemic) that impact the real estate market in general, including market risks generally attributable to the ownership of real property.
- Uncertainty regarding the economic condition in Europe due to a number of factors, such as the continuing impact and repercussions of the sovereign debt crises and the economic uncertainty following the exit of the United Kingdom from the European Union, may result in economic instability.
- The current economic environment is characterised by low interest rates and any rise in interest rates could place upward pressure on real estate capitalisation rates and decrease interest in real estate investments, thereby having a material adverse effect on asset valuations, the real estate market and on us.
- Higher vacancy rates and our inability to charge rents at expected levels or on favourable terms could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.
- Our portfolio may be concentrated in a limited number of geographies or sectors and as a result our portfolio may become more susceptible to fluctuations in value resulting from adverse economic or business conditions affecting that particular sector or geography.
- We depend on tenants for our revenue and therefore our revenue is dependent on the success and economic viability of our tenants, which may be adversely impacted due to the ongoing COVID-19 pandemic. Further, our reliance on single or significant tenants in certain buildings may decrease our ability to lease vacated space, as these buildings may be suited to the particular or unique needs of such tenants.
- Competition in the real estate market, including competition from similar properties in the same market and in case of our residential assets, competitive housing alternatives, may adversely affect our financial performance.
- Consistent increases in rents and strong market fundamentals may increase development of new assets in the logistics sector and expose us to heightened competition for tenant demand.
- We may be adversely affected by trends in the office real estate industry, such as possible reduction in demand for office space in light of the ongoing COVID-19 pandemic, or general changes in occupiers' preferences with regards to communication, flexible work schedules and open workplaces.
- Short-term leases associated with our residential properties may expose us to the potential impact of declining market rent.

Risks Related to Our Investment Strategy and Business

- We face risks associated with property acquisitions, such as risk that the acquired properties may fail to perform as expected or that we may be unable to quickly and efficiently integrate new acquisitions.
- Competition in acquiring properties may result in an increase in purchase prices and reduce yields, thereby reducing our profitability.
- Certain properties may require an expedited transaction, which may result in limited information being available before we decide to purchase an asset.
- In our due diligence review of potential investments, we may rely on third-party consultants and advisors and representations made by sellers of potential portfolio properties, and we may not identify all relevant facts that may be necessary or helpful in evaluating potential investments.
- There can be no assurance that Blackstone will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase or during our efforts to monitor the investment on an ongoing basis or that any risk management procedures implemented by us will be adequate.
- Acquisitions of properties may expose us to undisclosed defects and obligations, resulting in additional costs, and could have a material adverse effect on the rental income and proceeds from sales of the relevant properties.
- We may have difficulty selling our properties, including on account of adverse conditions in the state of the investment markets and market liquidity, which may limit our flexibility and ability to service our debt.
- We have assets in European jurisdictions with currency other than the Euro and are exposed to risks associated with fluctuations in currency exchange rates.
- We rely on property managers to operate our properties and leasing agents to lease vacancies in our properties, and as a result our ability to direct and control how our properties are managed on a day-to-day basis may be limited.
- We depend on the availability of public utilities and services, especially for water and electric power. Any reduction, interruption or cancellation of these services may adversely affect us.
- We may incur significant capital expenditures and other fixed costs, including property taxes, maintenance costs, insurance costs and related charges, which we may not be able to pass on to our tenants.
- We may experience material losses or damage related to our properties arising from natural disasters, vandalism or other crime, faulty construction or accidents, fire, war, acts of terrorism, disease outbreaks and pandemics (such as the ongoing COVID-19 pandemic) or other catastrophes, and such losses may not be covered by insurance.
- We will face risks in effecting operating improvements and in any failure to do so, could affect the profitability of certain of our investments.
- Our information technology systems could malfunction or become impaired, resulting in delays or interruptions in our business processes, which may have a significant adverse effect on us especially in light of the ongoing COVID-19 pandemic during which many of our employees have transitioned to remote working.
- Operational risks, including the risk of cyberattacks, in relation to our operations or in relation to the operations at Blackstone's headquarters in New York City, may disrupt our business, result in losses or limit our growth.
- Property valuation is inherently subjective and uncertain and is based on assumptions which may prove to be inaccurate or affected by factors outside of our control.

Risk Factors (cont'd)

Risks Related to Our Organisational Structure

- As we are a holding company, our cash flows are dependent on the distributable capital and annual profit and profitability of our subsidiaries.
- Blackstone manages our portfolio pursuant to broad investment guidelines and there can be no assurance that Blackstone will be successful in applying any strategy or discretionary approach to our investment activities.
- We depend on Blackstone and its employees for their services in relation to managing our business, and do not have control of the staff employed by them.
- We may enter into various types of investment arrangements such as joint ventures, including with Blackstone affiliates, which could be adversely affected by our lack of sole decision-making authority and our reliance on the financial condition of third parties as well as disputes between us and such third parties.
- Insolvency proceedings with respect to BPPEH would be subject to Luxembourg insolvency rules, which may not be favourable and comparable to creditors' interests in other jurisdictions.

Legal and Regulatory Risks

- Increased rent restrictions, such as the rent regulation in Berlin and other regulations providing financial support to members of the public in light of the ongoing COVID-19 pandemic, could adversely affect our results of operations.
- We may face legal risks, including the risk of dispute over interpretation or enforceability of legal documents and contracts, when making investments.
- The acquisition and disposition of real properties carry certain legal and contractual risks that may reduce our profitability. These include risks of litigation in relation to activities that took place prior to our acquisition of a property and indemnification claims against us in relation to sold properties.
- Certain of our investments may be in the form of ground leases, which provide limited rights to the underlying property, and we may be exposed to the possibility of losing the property upon termination, or an earlier breach by us, of the ground lease.
- Certain properties may require permits or licenses and there can be no guarantee of when and if such a license or permit will be obtained.
- We could become subject to liability in the form of fines or damages for non-compliance with environmental laws and regulations in the jurisdictions where our properties are located, regardless of whether we caused such violations.
- Changes in government regulations governing the ownership and leasing of real property, employment standards, environmental matters, taxes, and other matters may affect our investments.
- Regulatory requirements may limit a future change of use for some properties and this may therefore inhibit our ability to re-let vacant space to subsequent tenants or may adversely affect our ability to sell the affected properties.
- Our business is subject to the general tax environment in the jurisdictions where our properties are located and also to possible future changes in the taxation of enterprises which may change to our detriment.
- Changes in international tax rules in the European Union, for instance, an increase in withholding taxes on dividends or interest, may adversely affect our cash flows and financial condition.
- Our properties are, and any properties we acquire in the future will be, subject to property taxes that may increase in the future, which could adversely affect our cash flow.
- We could be required to pay additional taxes, for instance in relation to the non-deductibility of intragroup payments for services or loans or interest and / or requalification of intragroup payments for services or loans, following tax audits.
- BPPEH and some of the guarantors under the EMTN programme established by us may qualify as an alternative investment fund, which imposes additional requirements, among others, relating to risk management, minimum capital requirements, the provision of information, governance, and compliance requirements, with consequent increase in governance and administration expenses.

Risks Related to Conflicts of Interest

- We depend on Blackstone to select our investments and otherwise conduct our business, and any material adverse change in its financial condition or our relationship with Blackstone could have a material adverse effect on our business, net assets, financial condition, cash flows, and results of operations, and our ability to achieve our investment objectives.
- We may purchase assets from or sell assets to Blackstone and its affiliates or their clients, and even though negotiated in good faith and on an arm's length basis, such transactions may cause conflicts of interest.
- Certain principals and employees of Blackstone may be involved in and have a greater financial interest in the performance of other Blackstone funds or accounts, and such activities may create conflicts of interest in managing our investments.
- Blackstone's relationships with third-party corporations or portfolio companies may reduce the opportunities available to us as Blackstone is under no obligation to decline any engagements or investments in order to make an investment opportunity available to us.
- Blackstone may raise and / or manage other investment funds, real estate investment trusts, vehicles, accounts, products and / or other similar arrangements, which could result in the reallocation of Blackstone personnel and the direction of potential investments from us to such other Blackstone accounts.
- Blackstone's potential involvement in financing a third-party's purchase of assets from us could lead to potential or actual conflicts of interest.
- Blackstone may face conflicts of interest in choosing our service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, title agents, property managers, and investment or commercial banking firms), and certain service providers may provide services to Blackstone on more favourable terms than those payable by us.

Although we have attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in or implied by our forward-looking statements, other factors and risks may cause actions, events or results to differ materially from those anticipated, estimated or intended.

CONSOLIDATED ANNUAL ACCOUNTS

Consolidated Annual Accounts

To the sole Shareholder of
Blackstone Property Partners Europe Holdings S.à r.l.
2-4 rue Eugène Ruppert
L-2453 Luxembourg

Report of the Réviseur d'Entreprises Agréé

Opinion

We have audited the consolidated annual accounts of Blackstone Property Partners Europe Holdings S.à r.l. (the "Company") and its subsidiaries (together - "the Group"), which comprise the consolidated balance sheet as at 31 December 2020, the consolidated profit and loss account, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated annual accounts, in all material aspects, give a true and fair view of the consolidated financial position of Blackstone Property Partners Europe Holdings S.à r.l. as at 31 December 2020, and of the consolidated results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated annual accounts.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of "réviseur d'entreprises agréé" for the Audit of the Consolidated Annual Accounts" section of our report.

We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Managers is responsible for the other information. The other information comprises the information stated in the management report but does not include the consolidated annual accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

The management report is consistent with the consolidated annual accounts and has been prepared in accordance with applicable legal requirements.

Responsibilities of the Board of Managers

The Board of Managers is responsible for the preparation and fair presentation of these consolidated annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated annual accounts, and for such internal control as the Board of Managers determines is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Board of Managers is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

CONSOLIDATED ANNUAL ACCOUNTS

Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Consolidated Annual Accounts

The objectives of our audit are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these consolidated annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Managers.
- Conclude on the appropriateness of Board of Managers use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

For Deloitte Audit, *Cabinet de révision agréé*

Christian van Dartel, *Réviseur d'entreprises agréé*
Partner

15 March 2021

Consolidated Balance Sheet

Assets

€m	Notes	As at 31 December 2020	As at 31 December 2019
Fixed assets		**6,920.1**	**4,901.1**
Tangible fixed assets	4	**6,912.6**	**4,897.6**
Land and buildings		6,912.6	4,897.6
Intangible assets	3.12	**7.5**	**3.5**
Current assets		**594.6**	**763.7**
Debtors	5	**318.3**	**323.6**
Trade debtors	5.1	**26.7**	**27.6**
becoming due and payable within one year		26.7	27.6
Amounts owed by affiliated undertakings	5.2	**226.7**	**257.6**
becoming due and payable after more than one year		136.3	133.9
becoming due and payable within one year		90.4	123.7
Other debtors	5.3	**64.9**	**38.4**
becoming due and payable within one year		64.9	38.4
Cash at bank and in hand	6	**276.3**	**440.1**
Prepayments	7	**77.9**	**53.8**
Total assets		**7,592.6**	**5,718.6**

Note: The accompanying notes on pages 64 to 87 form an integral part of these consolidated annual accounts.

CONSOLIDATED ANNUAL ACCOUNTS

Capital, Reserves and Liabilities

€m	Notes	As at 31 December 2020	As at 31 December 2019
Capital and reserves	8	**1,577.6**	**1,060.7**
Subscribed capital	8.1	1.4	1.4
Share premium	8.2	1,403.5	874.1
Reserves	8.3	11.6	1.7
Profit/(loss) brought forward		(52.2)	(27.5)
Profit/(loss) for the financial year		(49.4)	16.5
Interim dividends	8.4	–	(40.7)
Non-controlling interests	8.5	262.7	235.2
Provisions	9	**8.3**	**2.8**
Provisions for taxation	9.1	8.3	2.8
Creditors	10	**5,966.0**	**4,635.5**
Unsecured notes	10.1	**3,479.8**	**2,873.1**
becoming due and payable after more than one year		3,450.0	2,850.0
becoming due and payable within one year		29.8	23.1
Amounts owed to credit institutions	10.2	**508.6**	**73.4**
becoming due and payable after more than one year		507.2	5.4
becoming due and payable within one year		1.4	68.0
Trade creditors	10.3	**38.8**	**44.5**
becoming due and payable within one year		38.8	44.5
Amounts owed to affiliated undertakings	10.4	**1,851.9**	**1,585.4**
becoming due and payable after more than one year		1,668.9	1,454.4
becoming due and payable within one year		183.0	131.0
Other creditors	10.5	**86.9**	**59.1**
tax authorities		49.2	34.2
becoming due and payable after more than one year		7.4	3.5
becoming due and payable within one year		30.3	21.4
Deferred income	11	**40.7**	**19.6**
Total capital, reserves and liabilities		**7,592.6**	**5,718.6**

Note: The accompanying notes on pages 64 to 87 form an integral part of these consolidated annual accounts.

Consolidated Profit and Loss Account

€m	Notes	For the year ended 31 December 2020	For the year ended 31 December 2019
Net turnover	12	**249.6**	**172.0**
Other operating income	13	**57.0**	**105.1**
Raw materials and consumables and other external expenses		**(24.8)**	**(21.1)**
Other external expenses	14	(24.8)	(21.1)
Value adjustments		**(132.6)**	**(85.0)**
in respect of formation expenses and of tangible and intangible fixed assets	4, 3.12	(131.1)	(85.9)
in respect of current assets		(1.5)	0.9
Other operating expenses	16	**(84.6)**	**(62.4)**
Other interest receivable and similar income		**6.1**	**3.3**
other interest and similar income		4.5	1.2
derived from affiliated undertakings		1.6	2.1
Interest payable and similar expenses	17	**(124.2)**	**(95.3)**
other interest and similar expenses		(70.0)	(54.8)
concerning affiliated undertakings		(54.2)	(40.5)
Tax on profit or loss	18	**(13.2)**	**(7.0)**
Profit/(loss) after taxation		**(66.7)**	**9.6**
Other taxes not included in the previous captions		**(0.6)**	**(5.6)**
Profit/(loss) for the financial year		**(67.3)**	**4.0**
Profit/(loss) attributable to:			
owners of BPPEH		(49.4)	16.5
non-controlling interests		(17.9)	(12.5)
		(67.3)	**4.0**

Note: The accompanying notes on pages 64 to 87 form an integral part of these consolidated annual accounts.

Consolidated Statement of Changes in Equity

€m	Attributable to the owners of BPPEH: Subscribed capital	Share premium	Reserves	Retained earnings/ (accumulated deficit)	Total capital and reserves attributable to owners of BPPEH	Non-controlling interests	Total capital and reserves
Balance at 31 December 2018	**1.4**	**550.8**	–	**(27.5)**	**524.7**	**157.4**	**682.1**
Profit/(loss) for the financial year	–	–	–	16.5	**16.5**	(12.5)	**4.0**
Foreign currency translation reserve	–	–	1.7	–	**1.7**	1.6	**3.3**
Contributions	–	437.3	–	–	**437.3**	103.3	**540.6**
Conversion of equity	–	(78.9)	–	–	**(78.9)**	(10.9)	**(89.8)**
Distributions	–	(35.1)	–	(40.7)	**(75.8)**	(3.7)	**(79.5)**
Balance at 31 December 2019	**1.4**	**874.1**	**1.7**	**(51.7)**	**825.5**	**235.2**	**1,060.7**
Profit/(loss) for the financial year	–	–	–	(49.4)	**(49.4)**	(17.9)	**(67.3)**
Foreign currency translation reserve	–	–	9.4	–	**9.4**	2.6	**12.0**
Legal reserve	–	–	0.5	(0.5)	**–**	–	**–**
Contributions	–	582.0	–	–	**582.0**	63.4	**645.4**
Distributions	–	(52.6)	–	–	**(52.6)**	(20.6)	**(73.2)**
Balance at 31 December 2020	**1.4**	**1,403.5**	**11.6**	**(101.6)**	**1,314.9**	**262.7**	**1,577.6**

Note: The accompanying notes on pages 64 to 87 form an integral part of these consolidated annual accounts.

Consolidated Statement of Cash Flows

€m	Notes	For the year ended 31 December 2020	For the year ended 31 December 2019
Cash flows from operating activities			
Profit/(loss) before tax		(53.5)	16.6
Adjustments for:			
Interest expense	17	124.1	95.3
Interest income		(1.6)	(2.3)
Depreciation and amortisation	4	131.0	85.9
Unrealised (gain)/loss on derivative financial instruments	10	(1.2)	(1.0)
Straight-line rent adjustments	7	(6.3)	(7.8)
Provision for allowance for bad debts	5	1.5	(0.8)
Net gain on disposal of inventories	13	–	(6.9)
Net gain on disposal of tangible fixed assets	13	(3.4)	(56.2)
Changes in working capital:			
(Increase)/decrease in trade debtors		0.5	1.8
(Increase)/decrease in other debtors		(13.8)	(15.1)
(Increase)/decrease in prepayments		(1.4)	0.9
Increase/(decrease) in trade creditors		(5.2)	(4.4)
Increase/(decrease) in other creditors		9.6	10.9
Increase/(decrease) in deferred income		2.6	3.8
Net cash generated from operations		**182.9**	**120.7**
Interest paid on unsecured notes and to credit institutions		(51.0)	(35.7)
Tax paid		(6.3)	(2.8)
Net cash flow from operating activities		**125.6**	**82.2**
Cash flows from investing activities			
Additions to tangible fixed assets		(1,221.2)	(936.7)
Capital expenditures on tangible fixed assets		(56.5)	(45.4)
Deposit payments for future acquisitions	7	(29.3)	(16.6)
Proceeds from sale of inventories		-	124.0
Proceeds from sale of tangible fixed assets		4.2	78.7
Loans to affiliated undertakings		(58.4)	(66.7)
Repayment of loans to affiliated undertakings		0.1	-
Interest income received from affiliated undertakings		1.6	2.3
Net cash flow from investing activities		**(1,359.5)**	**(860.4)**

Note: The accompanying notes on pages 64 to 87 form an integral part of these consolidated annual accounts. Certain insignificant amounts in the prior year cash flow were reclassified to conform to current year presentation.

CONSOLIDATED ANNUAL ACCOUNTS

€m	Notes	For the year ended 31 December 2020	For the year ended 31 December 2019
Cash flows from financing activities			
Contributions from:			
Owners of BPPEH		582.0	355.2
Non-controlling interests		63.4	101.3
Distributions to:			
Owners of BPPEH		(41.7)	(72.7)
Non-controlling interests		(10.5)	(6.4)
Proceeds from:			
Unsecured notes issuance		600.0	1,600.0
Bank loans		1,528.3	422.3
Repayment of bank loans		(1,532.9)	(1,537.0)
Deferred financing fees		(8.3)	(12.4)
Loans from affiliated undertakings		396.8	382.8
Repayment to affiliated undertakings		(502.2)	(287.5)
Net cash flow from financing activities		**1,074.9**	**945.6**
Net increase/(decrease) in cash and cash equivalents		**(159.0)**	**167.4**
Cash and cash equivalents at beginning of year		440.1	269.4
Effect of foreign exchange rate changes		(4.8)	3.3
Cash and cash equivalents at end of year		**276.3**	**440.1**

Note: The accompanying notes on pages 64 to 87 form an integral part of these consolidated annual accounts.

Notes to the Consolidated Annual Accounts

Note 1 – General information

1.1 Corporate matters

Blackstone Property Partners Europe Holdings S.à r.l. ("BPPEH") was incorporated on 7 December 2017 as a "Société à responsabilité limitée" in accordance with the Luxembourg Law of 10 August 1915, as subsequently amended. The registered office of BPPEH is established at 2-4, rue Eugène Ruppert, L-2453 Luxembourg. BPPEH is registered with the "Registre de Commerce et des Sociétés" under R.C.S. B 220.526. BPPEH's immediate parent is Master Unsecured Topco S.à r.l.

1.2 Nature of the business

The primary business objective of BPPEH and its direct and indirect consolidated subsidiaries (collectively the "Group") is to acquire and manage high-quality substantially stabilised real estate assets across Europe with a focus on major European markets and key gateway cities.

1.3 Financial year

BPPEH's financial year begins on 1 January and ends on 31 December of each year.

1.4 Significant events during the reporting period – COVID-19

The ongoing novel coronavirus ("COVID-19") pandemic and restrictions on certain non-essential businesses have caused disruption in the E.U. and global economies. Although an economic recovery is partially underway, it continues to be gradual, uneven, and characterised by meaningful dispersion across sectors and regions. The estimates and assumptions underlying these consolidated annual accounts are based on the information available as of 31 December 2020, including judgments about the financial market and economic conditions which may change over time. In management's view, COVID-19 did not have a material adverse impact on the Group's consolidated annual accounts as of the reporting date.

Note 2 – Basis of preparation, scope of consolidation and consolidation policies

2.1 Basis of preparation

The consolidated annual accounts are prepared on a going concern basis, using the historical cost method, unless otherwise noted in significant accounting policies (see Note 3), in accordance with the laws and regulations of the Grand Duchy of Luxembourg and with generally accepted accounting principles in Luxembourg according to the Law of 19 December 2002, as subsequently amended.

The preparation of consolidated annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Managers to exercise its judgment in applying the accounting policies. Changes in assumptions may have a significant impact on the consolidated annual accounts in the year in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the consolidated annual accounts therefore present the financial position and results fairly.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 Scope and method of consolidation

The consolidated annual accounts of BPPEH for the year ended 31 December 2020 include its stand-alone accounts and those of all directly or indirectly majority owned subsidiaries adjusted for non-controlling interests. Subsidiaries are all entities over which BPPEH exercises control, which is defined as the direct or indirect power to govern the financial and operating policies so as to obtain benefits from activities. The existence and effect of potential voting rights of other entities is considered when assessing whether BPPEH controls another entity. Subsidiaries, and their profit and losses, are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that control is lost. The Group and non-controlling interests' share of profit and losses or changes in the net equity of subsidiaries are generally determined based on existing ownership interests, without considering the effects of securities that are exercisable or convertible into ownership interests.

Entities included in the scope of consolidation of the Group are disclosed in Note 22.

2.3 Consolidation policies

2.3.1 General

The consolidated annual accounts include the consolidated balance sheet, consolidated profit and loss account, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, as well as the present accompanying notes.

The accounts of the Group entities are adjusted when necessary in order to comply with the Group's accounting policies.

2.3.2 Transactions eliminated in consolidation

All intra-group balances and transactions are eliminated.

2.3.3 Foreign currency

Items included in the annual accounts of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). This may be different to the local currency of the country of incorporation or the country where the entity conducts its operations. The consolidated annual accounts are presented in Euro, which is BPPEH's functional and presentation currency.

Foreign currency - transactions

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate prevailing at the date of the transaction. At any subsequent reporting date, monetary assets and liabilities denominated in foreign currencies are revalued at the exchange rate as of the reporting date, with any unrealised foreign exchange gains recognised in the consolidated balance sheet under "Deferred income" and any unrealised foreign exchange losses recognised in the consolidated profit and loss account within "Interest payable and similar expenses". Any realised foreign exchange differences are recognised in the consolidated profit and loss account. Non-monetary items denominated in foreign currencies are recorded using the exchange rate as at the date of the initial recognition.

Foreign currency - operations

The assets and liabilities of the Group's foreign operations which have a functional currency different from BPPEH's presentation currency are translated at the exchange rate as of the reporting date. Capital transactions are translated in the presentation currency at the exchange rate prevailing at the date of the transaction and are not subsequently adjusted. Income and expense items are translated at the average exchange rate for the period. Exchange differences arising are presented in the consolidated balance sheet under "Capital and reserves" and recognised in the Group's foreign currency translation reserve. Upon disposal, the entity's foreign currency translation reserve is released through its profit and losses.

The following exchange rates were used to translate foreign currency denominated amounts to €1:

	As at 31 December 2020	As at 31 December 2019
Danish Krone (DKK)	7.44	7.47
Norwegian Krone (NOK)	10.48	n.a.
Pound Sterling (GBP)	0.89	n.a.
Swedish Krona (SEK)	10.05	10.50
Swiss Franc (CHF)	1.08	n.a.

	For the year ended 31 December 2020	For the year ended 31 December 2019
Danish Krone (DKK)	7.45	7.47
Norwegian Krone (NOK)	10.74	n.a.
Pound Sterling (GBP)	0.89	n.a.
Swedish Krona (SEK)	10.49	10.60
Swiss Franc (CHF)	1.07	n.a.

2.3.4 Non-controlling interests

At the date of acquisition, the Group recognises any non-controlling interest ("NCI") in the acquiree on an acquisition-by-acquisition basis, at the NCI's proportionate share of the acquiree's identifiable net assets. Subsequent to such acquisition, the carrying amount of any NCI is the amount of those interests at initial recognition plus the NCI's share of subsequent changes in equity.

The NCI's share in the net equity and profit/(loss) for the year/period of their subsidiaries is presented separately in the consolidated balance sheet and consolidated profit and loss account, respectively.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.3.5 Asset acquisitions and business combinations

Management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents an acquisition of a business.

Business combinations are accounted for using the acquisition method. Applying the acquisition method requires the (a) determination whether BPPEH will be identified as the acquirer, (b) determination of the acquisition date, (c) recognition and measurement of the identifiable assets acquired, liabilities assumed and any NCI in the acquiree and (d) recognition and measurement of goodwill.

The initial purchase price is measured as the aggregate fair value of the consideration transferred plus the amount of any NCI in the acquiree. For each business combination, BPPEH measures the NCI in the acquiree at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

Asset acquisitions are not treated as business combinations. The initial purchase consideration is allocated among identifiable assets and liabilities of the entity acquired at the acquisition date. Accordingly, no goodwill or additional deferred taxes arise. Acquisition costs are capitalised and are amortised, if applicable, over the life of the property acquired.

All of BPPEH's acquisitions in the year were deemed to be asset acquisitions.

Notes to the Consolidated Annual Accounts (cont'd)

Note 3 – Significant accounting policies

3.1 Formation expenses

Entity formation expenses are charged to the profit and loss account in the period in which they are incurred.

3.2 Tangible fixed assets

Tangible fixed assets are investment properties held for long-term income or for capital appreciation or both, which are not occupied by the Group and are classified as "Land and buildings" in the consolidated balance sheet. Tangible fixed assets may also include properties under construction or developed for future use, building, land and tenant improvements, and other fixtures and fittings. Tangible fixed assets are carried at cost, including related transaction costs (unless acquired in a business combination), less any accumulated depreciation, accumulated amortisation and accumulated impairment in value.

Properties are considered acquired when the Group assumes the significant risks and rewards of ownership. Properties are treated as disposed when the significant risks and rewards of ownership are transferred to the buyer. Typically, this will either occur on unconditional exchange or on completion. Where completion is expected to occur significantly after exchange, or where the Group continues to have significant outstanding obligations after exchange, the risks and rewards will not usually transfer to the buyer until completion.

The initial purchase price, including the related transaction costs, of the acquired investment property is allocated between land and building upon acquisition based on a preliminary split and is finalised within one year. Once the final split between land and building components of the purchase price is established, the related transaction costs, depreciation and amortisation are trued-up.

Depreciation and amortisation is calculated on a straight-line basis over the estimated useful lives of the investment properties as summarised in the table below (land is not depreciated):

	Useful lives
Office buildings	40 years
Residential buildings	40 years
Logistics buildings	30 years
Building improvements[1]	10 - 20 years
Other fixtures and fittings	5 years
Tenant improvements	Remaining term of the lease
Leasing commissions[2]	Remaining term of the lease

1. Shorter of useful life or remaining life of the building.
2. Direct and indirect leasing costs to originate and renew operating leases, such as leasing commissions or legal fees, are included within tangible fixed assets and amortised over the related lease term. Direct leasing costs for residential leases are amortised over the average turnover period of three years.

Construction costs incurred are capitalised and included in tangible fixed assets. This includes cost of construction, property and equipment, and other direct costs as well as interest on borrowed funds incurred during the construction period. Construction in progress is not depreciated until the development is substantially completed.

Ordinary repair and maintenance costs are expensed as incurred. Costs relating to major replacements and improvements, which improve or extend the life of the asset, are capitalised and depreciated over their estimated useful lives.

Where the Group considers that a tangible fixed asset suffered a decline in value in excess of the accumulated depreciation recognised, an additional write-down is recorded to reflect this impairment. These value adjustments are reversed if the reasons for which the value adjustments were made no longer apply.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal. The realised gain or loss on the disposal of tangible fixed assets is determined as the difference between disposal proceeds and carrying value at the date of disposal, less any transaction costs, and is included in the consolidated profit and loss account in the period of disposition.

3.3 Inventories

Tangible fixed assets which are under an active disposition plan or programme are considered to be held for sale and are separately presented in the consolidated balance sheet within "Inventories". Such assets are recorded at the lower of their carrying value or estimated fair value less the cost to sell. Once an investment property is determined to be held for sale, depreciation is no longer recorded.

3.4 Borrowing costs

Borrowing costs are capitalised as part of the cost of the asset if they are directly attributable to the acquisition or construction of a qualifying asset under development. Capitalisation of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially ready for their intended use and when it is probable that the assets will result in future economic benefits to the Group. All other borrowing costs are expensed as incurred.

3.5 Tenant security deposits

Tenant security deposits are measured at cost and represent rental security deposits received from the lessee upon inception of the respective lease contract. At the termination of the lease contracts, the deposits held by the Group are returned to tenants, reduced by unpaid rental fees, expense recoveries, penalties and/or deductions for damages and repairs, if any. Tenant security deposits may become redeemable upon a tenant's vacancy and are presented in the consolidated balance sheet within "Other creditors becoming

due and payable within one year". Tenant security deposits in the form of bank guarantees are not disclosed because they are unlikely to result in an economic benefit to the Group.

3.6 Debtors

Debtors' balances are carried at their nominal value and stated net of allowances for doubtful accounts. When there is an indication that the Group will not be able to collect all amounts due according to the original terms of the receivable, the amount is recorded in the allowance for doubtful accounts presented in the consolidated profit and loss account within "Value adjustments in respect of current assets". These value adjustments are reversed in the period in which the reasons for the value adjustments cease to apply.

Debtors' balances include rent billed in advance related to non-cancellable contractual periods. The related liability is presented in the consolidated balance sheet under "Deferred income".

3.7 Cash at bank and in hand

Cash includes cash in hand and money held on demand in banks and other financial institutions with maturities of three months or less that are subject to an insignificant risk of a change in value.

Restricted cash may consist of amounts related to operating real estate such as escrows for taxes, insurance, tenant security deposits and borrowing arrangements of the Group.

3.8 Prepayments

Prepayments are carried at their nominal value and represent expenditures incurred for the benefit of future periods and are amortised over such periods.

3.9 Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created to cover charges that originated in the financial year under review or in a previous financial year, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

3.10 Provisions for taxation

Current tax provision

The provision corresponding to the tax liability estimated by the Group for the financial year is recorded under the caption "Other creditors – Tax authorities" in the consolidated balance sheet. The advance payments for tax are presented as an asset in the consolidated balance sheet under "Other debtors".

Deferred tax provision

Deferred tax assets and/or liabilities are recognised on temporary differences arising between the tax basis of assets and liabilities and their carrying amount in the consolidated annual accounts.

Deferred tax liabilities are generally recognised for all taxable temporary differences while deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the date of the consolidated balance sheet and are expected to apply when the deferred tax asset and/or liability is settled.

Deferred tax is not recognised at the moment of initial recognition of the asset or liability in any transaction other than a business combination (see Note 2.3.5).

3.11 Debts

Debts are recorded at their reimbursement value. Loan arrangement fees and other debt issue costs are capitalised and subsequently amortised over the term of the related debt instrument using the straight-line method for the revolving credit facilities and the effective interest method for all other debt. Such capitalised costs are presented as an asset in the consolidated balance sheet under "Prepayments". The early repayment of debt results in the write-off of capitalised fees and costs related to such debt.

3.12 Leases - Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, plus any initial direct costs. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the future lease payments, discounted using the Group's incremental borrowing rate. Thereafter, the lease liability is measured at amortised cost using the effective interest method and is remeasured upon a change in future lease payments.

The Group presents right-of-use assets as part of "Intangible assets" and presents lease liabilities as part of "Other creditors" in the consolidated balance sheet.

The Group does not recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

Notes to the Consolidated Annual Accounts (cont'd)

3.13 Deferred income

Income received during the reporting period but relating to a subsequent reporting period represents a liability of the Group and is presented in the consolidated balance sheet within "Deferred income".

3.14 Subscribed capital, share premium and legal reserves

Subscribed capital is stated at nominal value for all shares issued. The difference between the proceeds and the nominal value of the shares issued is presented in the consolidated balance sheet under "Share premium". Shares issued for consideration other than cash are measured at fair value of the consideration received. In case shares are issued to extinguish or settle a liability of BPPEH, the shares shall be measured either at fair value of the shares issued or fair value of the liability settled, whichever is more determinable.

Legal reserves are recognised in accordance with the local regulatory requirements and are generally not distributable.

Luxembourg companies are required to transfer a minimum of 5% of annual net income, after deducting any losses brought forward, to the legal reserve until this reserve equals 10% of subscribed capital. This reserve may not be distributed in the form of cash dividends, or otherwise, except upon liquidation of an entity.

3.15 Net turnover and other operating income

Net turnover - Rental income

Net turnover includes rental income from investment properties. Rental income from logistics and office investment properties is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives offered to occupiers to enter into a lease, such as an initial rent-free period or a cash contribution, and lease incentives agreed subsequent to the initial lease that represent a lease modification are recognised as a reduction of rental income on a straight-line basis over the term of the lease. Lease incentives that are not lease modifications are recognised as a reduction of rental income in the period in which they are granted.

Rental income from residential investment properties is derived from short-term lease agreements and is recognised when earned. This policy effectively results in income recognition on the straight-line method over the related terms of the leases.

Other operating income - Service charge and other income

Service charge income relates to any service charges recoverable from tenants, recorded in "Other operating expenses" in the consolidated profit and loss account. Other income includes lease termination and other tenant related revenues that are not contractual rent.

Other operating income - Net gain/(loss) on disposals

Any realised gain or loss on disposals is recognised in the period of disposition. The net gain or loss is determined as the difference between disposal proceeds and carrying value at the date of disposal, less any transaction costs.

3.16 Interest income and interest expenses

Interest income and interest expenses are accrued at the nominal interest rate applicable.

3.17 Expenses

Expenses are recognised in the period they are incurred.

3.18 Promote payments

Promote payments payable to third-party operating partners are recognised in accordance with the governing documents when the payment amount can be readily and reliably estimated. Promote payments are determined based on the performance of the investment vehicles subject to the achievement of minimum return hurdles. As at 31 December 2020 and 2019, promote payments were triggered.

3.19 Derivative financial instruments

BPPEH may enter into derivative financial instruments such as options, swaps, futures or foreign exchange contracts. Derivative financial instruments are recognised at fair value at the origination date and subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in the consolidated profit and loss account.

A derivative financial instrument with a positive fair value is recognised as a financial asset whereas a derivative financial instrument with a negative fair value is recognised as a financial liability. A derivative financial instrument is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months.

The fair value of financial instruments that are not traded on an active market is determined by using valuation techniques taking into account market conditions existing at the end of each reporting period.

3.20 Contingencies

Contingent liabilities are disclosed in the consolidated annual accounts unless the possibility of economic loss is remote. Contingent assets are not recognised in the consolidated annual accounts but are disclosed in the notes to the consolidated annual accounts when economic benefits are probable.

3.21 Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

3.22 Subsequent events

Material post year end events that would result in a significant change of the Group's financial position at the end of the reporting period (adjusting events) are reflected in the consolidated annual accounts. Post year end events that are not adjusting events are disclosed in the notes to the consolidated annual accounts, when material.

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Note 4 – Tangible fixed assets

The following table reconciles the gross book value of tangible fixed assets, including related transaction costs, to the net book value for the years ended 31 December 2020 and 2019:

€m	Land	Buildings	Total
Gross book value - 31 December 2018	**1,191.3**	**2,465.0**	**3,656.3**
Final purchase price allocation[1]	(16.8)	16.8	–
Acquisitions	385.5	1,001.0	**1,386.5**
Capital expenditures	–	52.0	**52.0**
Effect of foreign exchange rate changes	1.8	4.5	**6.3**
Disposals[2]	(24.9)	(58.0)	**(82.9)**
Gross book value - 31 December 2019	**1,536.9**	**3,481.3**	**5,018.2**
Final purchase price allocation[1]	(65.6)	65.6	**–**
Acquisitions	532.7	1,524.0	**2,056.7**
Capital expenditures	–	53.5	**53.5**
Effect of foreign exchange rate changes	9.1	27.9	**37.0**
Disposals	(0.2)	(0.6)	**(0.8)**
Gross book value - 31 December 2020	**2,012.9**	**5,151.7**	**7,164.6**
Accumulated value adjustments - 31 December 2018	**–**	**(37.6)**	**(37.6)**
Depreciation and amortisation	–	(85.9)	**(85.9)**
Disposals[2]	–	2.9	**2.9**
Accumulated value adjustments - 31 December 2019	**–**	**(120.6)**	**(120.6)**
Depreciation and amortisation	–	(131.0)	**(131.0)**
Effect of foreign exchange rate changes	–	(0.4)	**(0.4)**
Accumulated value adjustments - 31 December 2020	**–**	**(252.0)**	**(252.0)**
Net book value - 31 December 2018	**1,191.3**	**2,427.4**	**3,618.7**
Net book value - 31 December 2019	**1,536.9**	**3,360.7**	**4,897.6**
Net book value - 31 December 2020	**2,012.9**	**4,899.7**	**6,912.6**

1. Represents the finalisation of the initial purchase price allocation, including transaction costs.
2. Excludes disposal of inventories.

There were no impairment adjustments triggered with respect to tangible fixed assets as at 31 December 2020 and 2019.

Notes to the Consolidated Annual Accounts (cont'd)

Note 5 – Debtors

5.1 Trade debtors

The following table summarises trade debtors amounts, net of allowance for bad debts:

€m	As at 31 December 2020	As at 31 December 2019
Rental income and service charges - billed	25.2	23.6
Rental income and service charges - accrued	4.6	5.3
Allowance for bad debts	(3.1)	(1.3)
Total	**26.7**	**27.6**

5.2 Amounts owed by affiliated undertakings

The following table summarises the key terms of the amounts owed by affiliated undertakings, including BPPEH's parent entity and NCI shareholders:

	As at 31 December 2020			As at 31 December 2019		
€m	Interest rate	Term/ maturity	Amount	Interest rate	Term/ maturity	Amount
Becoming due and payable after more than one year						
Related party loans receivable[1]	0.60% - 1.67%	2022 - 2029	136.3	1.05% - 4.50%	2021 - 2033	133.9
			136.3			**133.9**
Becoming due and payable within one year						
Related party loans receivable - interest free	–	2021	46.8	–	2020	88.4
Other amounts receivable	–	2021	43.6	–	2020	35.3
			90.4			**123.7**
Total			**226.7**			**257.6**

1. There were no impairment indicators as at 31 December 2020 and 31 December 2019.

5.3 Other debtors

The following table summarises other debtors amounts:

€m	As at 31 December 2020	As at 31 December 2019
VAT receivables	52.5	24.6
Tax receivables	3.3	3.8
Tenant security deposits receivable	2.7	5.4
Other receivables	6.4	4.6
Total	**64.9**	**38.4**

Note 6 – Cash at bank and in hand

The table below represents cash at bank and in hand. Restricted cash primarily consists of tenant security deposits held in the Group's bank accounts.

€m	As at 31 December 2020	As at 31 December 2019
Cash at bank and in hand	266.2	434.6
Restricted cash	10.1	5.5
Total	**276.3**	**440.1**

Note 7 – Prepayments

Prepayments are comprised of the following amounts:

€m	As at 31 December 2020	As at 31 December 2019
Deposit payments for future acquisitions	29.3	16.6
Deferred financing fees - net	22.6	20.1
Straight-line rent adjustments	21.5	15.2
Other prepayments	4.5	1.9
Total	**77.9**	**53.8**

Deferred financing fees were related to the unsecured notes and amounts owed to credit institutions (see Note 10). Other prepayments include insurance, real property taxes and other prepaid expenses.

Note 8 – Capital and reserves

8.1 Subscribed capital

As at 31 December 2019, BPPEH had 1.4 million shares outstanding with a nominal value of €1 each. The subscribed capital was paid in full and amounted to €1.4 million. No new shares were issued during the year ended 31 December 2020.

8.2 Share premium

During 2020, BPPEH's parent entity invested €582.0 million in cash to the share premium of BPPEH. During 2019, BPPEH's parent entity invested €355.2 million in cash and €82.1 million as a contribution in kind to the share premium of BPPEH.

During 2020, BPPEH distributed €52.6 million of share premium to its parent. During 2019, BPPEH distributed €35.1 million of share premium to its parent and converted €78.9 million of share premium into related party loans from its parent.

As at 31 December 2020, the share premium account amounted to €1,403.5 million (2019: €874.1 million).

8.3 Reserves

Legal reserve

As at 31 December 2020, the Group had allocated €0.5 million (2019: nil) to the legal reserve.

Foreign currency translation reserve

The effect of foreign currency translations as at 31 December 2020 amounted to €11.1 million (2019: €1.7 million).

8.4 Interim dividends

During 2020, BPPEH did not distribute any interim dividends to its parent. During 2019, BPPEH distributed €40.7 million of interim dividends to its parent.

8.5 Non-controlling interests

During 2020, NCI shareholders invested €63.4 million into certain subsidiaries of the Group and received distributions of €20.6 million. During 2019, NCI shareholders invested €103.3 million into certain subsidiaries of the Group, received distributions of €3.7 million (including certain promote payment allocations), and converted €10.9 million of share premium into related party loans.

As at 31 December 2020, a foreign currency translation reserve of €4.2 million (2019: €1.6 million) was attributable to NCI shareholders.

Note 9 – Provisions

9.1 Provisions for taxation

The Group is subject to corporate income tax in numerous jurisdictions. The Group recognises liabilities for anticipated corporate income tax based on estimates of the amounts that will eventually be due, less corporate income tax already paid. Where the final tax charge is different from the amounts that were initially provisioned, such differences will be treated as prior year adjustments in the current tax charge of the following year.

Notes to the Consolidated Annual Accounts (cont'd)

The Group had recognised a deferred tax liability as at 31 December 2020 of €8.3 million (2019: €2.8 million). The related deferred tax charge for the year of €5.5 million (2019: €2.3 million) was recognised in the consolidated profit and loss account within "Tax on profit or loss" (see Note 18).

Note 10 – Creditors

The following table summarises the movement in the amounts owed to credit institutions and unsecured notes for the years ended 31 December 2020 and 2019:

€m	Amounts owed to credit institutions	Unsecured notes	Total
Principal balance - 31 December 2018	**925.1**	**1,250.0**	**2,175.1**
Proceeds from borrowings/issuance of notes	422.3	1,600.0	**2,022.3**
Acquired debt	314.4	–	**314.4**
Repayments	(1,537.0)	–	**(1,537.0)**
Disposal of debt	(50.7)	–	**(50.7)**
Fair valuation of derivative financial instruments	(1.0)	–	**(1.0)**
Principal balance - 31 December 2019	**73.1**	**2,850.0**	**2,923.1**
Proceeds from borrowings/issuance of notes	1,528.3	600.0	**2,128.3**
Acquired debt	428.5	–	**428.5**
Repayments	(1,532.9)	–	**(1,532.9)**
Effect of foreign exchange rate changes	11.4	–	**11.4**
Fair valuation of derivative financial instruments	(1.2)	–	**(1.2)**
Principal balance - 31 December 2020	**507.2**	**3,450.0**	**3,957.2**
Deferred financing fees - 31 December 2018	**6.2**	**9.5**	**15.7**
Capitalisation of financing fees	0.4	12.0	**12.4**
Amortisation of deferred financing fees	(1.4)	(2.1)	**(3.5)**
Write-off of deferred financing fees	(4.5)	–	**(4.5)**
Deferred financing fees - 31 December 2019	**0.7**	**19.4**	**20.1**
Capitalisation of financing fees	3.3	5.0	**8.3**
Amortisation of deferred financing fees	(0.3)	(4.4)	**(4.7)**
Write-off of deferred financing fees	(1.1)	–	**(1.1)**
Deferred financing fees - 31 December 2020	**2.6**	**20.0**	**22.6**

10.1 Unsecured notes

On 21 June 2018, BPPEH established its €5 billion Euro Medium Term Note Programme ("EMTN Programme"), listed on The International Stock Exchange ("TISE") in Guernsey, Channel Islands.

During 2020, pursuant to the EMTN Programme, BPPEH issued €600 million (2019: €1.6 billion) of unsecured notes, bringing the total amount of notes issued to €3.45 billion.

The notes are redeemable at the option of BPPEH, subject to certain limitations, and are fully and unconditionally guaranteed, jointly and severally, by certain subsidiaries and affiliates of BPPEH. The notes are pari passu with the Group's other unsecured indebtedness and are subordinated to any secured indebtedness of the Group and/or other secured liabilities.

The following table summarises the key terms of the unsecured notes outstanding as at 31 December 2020:

€m	Interest rate	Maturity	Payable within one year	Payable after one year and within five years	Payable after more than five years	Total principal	Accrued interest payable
Series 1	1.40%	06-Jul-22	4.1	600.0	–	600.0	4.1
Series 2	2.20%	24-Jul-25	6.3	650.0	–	650.0	6.3
Series 3	2.00%	15-Feb-24	8.8	500.0	–	500.0	8.8
Series 4	0.50%	12-Sep-23	0.8	500.0	–	500.0	0.8
Series 5	1.75%	12-Mar-29	8.5	–	600.0	600.0	8.5
Series 6	1.25%	26-Apr-27	1.3	–	600.0	600.0	1.3
Total			**29.8**	**2,250.0**	**1,200.0**	**3,450.0**	**29.8**

The following table summarises the key terms of the unsecured notes outstanding as at 31 December 2019:

€m	Interest rate	Maturity	Payable within one year	Payable after one year and within five years	Payable after more than five years	Total principal	Accrued interest payable
Series 1	1.40%	06-Jul-22	4.1	600.0	–	600.0	4.1
Series 2	2.20%	24-Jul-25	6.3	–	650.0	650.0	6.3
Series 3	2.00%	15-Feb-24	8.7	500.0	–	500.0	8.7
Series 4	0.50%	12-Sep-23	0.8	500.0	–	500.0	0.8
Series 5	1.75%	12-Mar-29	3.2	–	600.0	600.0	3.2
Total			**23.1**	**1,600.0**	**1,250.0**	**2,850.0**	**23.1**

10.2 Amounts owed to credit institutions

The following table summarises the key terms of the amounts owed to credit institutions as at 31 December 2020:

€m	Interest rate	Maturity[1]	Payable within one year	Payable after one year and within five years	Payable after more than five years	Total principal	Accrued interest payable
Acquisition facility II	1.40% - 1.45%	15-Nov-23 - 15-Feb-24	0.5	332.2	–	332.2	0.5
Revolving credit facility II	1.00%	15-May-25	–	30.1	–	30.1	–
Mortgage loan	2.64%	10-Dec-28	0.9	–	144.9	144.9	0.9
Total			**1.4**	**362.3**	**144.9**	**507.2**	**1.4**

1. Represents committed maturity dates.

The following table summarises the key terms of the amounts owed to credit institutions as at 31 December 2019:

€m	Interest rate	Maturity	Payable within one year	Payable after one year and within five years	Payable after more than five years	Total principal	Accrued interest payable
Mortgage loans	1.29% - 1.52%	Dec-20	66.7	–	–	66.4	0.3
Revolving credit facility	1.05%	15-Nov-21	–	5.4	–	5.4	–
Derivative financial instrument	1.41%	30-Dec-20	1.3	–	–	1.3	–
Total			**68.0**	**5.4**	**–**	**73.1**	**0.3**

Notes to the Consolidated Annual Accounts (cont'd)

Acquisition Facility II

Borrowings under Acquisition Facility II have an initial maturity of one year, subject to two one-year extension options upon BPPEH's request, and an interest rate of Euribor (or any other relevant interbank rate for non-Euro denominated draws) + 1.4% per annum. The interest rate steps up by 25 basis points upon each extension.

As at 31 December 2020, BPPEH had SEK1,356.2 million (€134.9 million), GBP113.4 million (€127.0 million) and €70.3 million outstanding under Acquisition Facility II, with an initial maturity date between 15 November 2021 and 15 February 2022 and a final maturity date between 15 November 2023 and 15 February 2024.

Revolving Credit Facility ("RCF")

As at 31 December 2019, the total size of the RCF was €280.0 million of which €5.4 million was drawn. The RCF was fully repaid and terminated on 27 March 2020.

Revolving Credit Facility II ("RCF II")

On 20 March 2020, BPPEH entered into a new revolving credit facility agreement with a total size of €600 million. RCF II has a maturity date of 15 May 2025 and an interest rate of Euribor (or any other relevant interbank rate for non-Euro denominated draws) + 1.0% per annum.

As at 31 December 2020, BPPEH had €20.8 million and GBP8.3 million (€9.3 million) drawn under RCF II.

Mortgage Loans

As at 31 December 2019, the Group had mortgage loans totalling €66.4 million outstanding. During 2020, the Group fully repaid and terminated these mortgage loans and assumed a new mortgage loan in connection with the acquisition of certain investment properties. As at 31 December 2020, this new mortgage loan had an outstanding balance of GBP129.5 million (€144.9 million).

Covenants

As at 31 December 2020 and 2019, the Group was in compliance with all of its covenants.

10.3 Trade creditors

The following table summarises trade creditors amounts:

€m	As at 31 December 2020	As at 31 December 2019
Transaction costs	13.8	16.8
Trade creditors	7.5	8.3
Professional fees	6.7	6.3
Capital expenditures	4.7	7.7
Service charges	3.6	4.1
Other accruals	2.5	1.3
Total	**38.8**	**44.5**

10.4 Amounts owed to affiliated undertakings

Amounts owed to affiliated undertakings are subordinated to unsecured notes as well as amounts owed to credit institutions. The following table summarises the key terms of the amounts owed to affiliated undertakings, including BPPEH's parent entity and NCI shareholders, as at 31 December 2020:

€m	Interest rate	Term/ Maturity	Payable within one year	Payable after one year and within five years	Payable after more than five years	Total principal	Accrued interest payable
Related party loans payable	1.00% - 7.93%	2022 - 2035	47.7	43.2	1,526.2	1,569.4	47.7
Related party loans payable - interest free	–	2021 - 2023	132.5	99.5	–	232.0	–
Other amounts payable	–	–	2.8	–	–	2.8	–
Total			**183.0**	**142.7**	**1,526.2**	**1,804.2**	**47.7**

The following table summarises the key terms of the amounts owed to affiliated undertakings, including BPPEH's parent entity and NCI shareholders, as at 31 December 2019:

€m	Interest rate	Term/ Maturity	Payable within one year	Payable after one year and within five years	Payable after more than five years	Total principal	Accrued interest payable
Related party loans payable	1.00% - 7.93%	2021 - 2034	25.3	0.4	1,454.0	1,454.6	25.1
Related party loans payable - interest free	–	2020	68.4	–	–	68.4	–
Other amounts payable	–	–	37.3	–	–	37.3	–
Total			**131.0**	**0.4**	**1,454.0**	**1,560.3**	**25.1**

10.5 Other creditors

The following table summarises amounts owed to other creditors as at 31 December 2020:

€m	Tax authorities	Becoming due and payable within one year	Becoming due and payable after more than one year	Total
Other payables[1]	49.2	2.7	7.4	**59.3**
Tenant security deposits payable	–	26.7	–	**26.7**
Acquisition of tangible fixed assets[2]	–	0.9	–	**0.9**
Total	**49.2**	**30.3**	**7.4**	**86.9**

The following table summarises amounts owed to other creditors as at 31 December 2019:

€m	Tax authorities	Becoming due and payable within one year	Becoming due and payable after more than one year	Total
Other payables[1]	34.2	1.7	3.5	**39.4**
Tenant security deposits payable	–	17.1	–	**17.1**
Acquisition of tangible fixed assets[2]	–	2.6	–	**2.6**
Total	**34.2**	**21.4**	**3.5**	**59.1**

1. Primarily consists of VAT payable of €33.7 million (2019: €26.1 million), corporate income tax of €8.7 million (2019: €5.6 million), real estate transfer tax of €3.9 million (2019: nil) and ground lease liability of €7.4 million (2019: €3.5 million).
2. Represents amount payable to the seller related to investment properties acquired during the year.

Notes to the Consolidated Annual Accounts (cont'd)

Note 11 – Deferred income

As at 31 December 2020, deferred income included rent and service charges paid in advance by tenants, as well as advance rent and service charge billings of €24.1 million (2019: €16.3 million). As at 31 December 2020, the Group recognised unrealised foreign exchange gains in the amount of €16.6 million (2019: €3.3 million).

Note 12 – Net turnover

The following table reflects net turnover of the Group's investment properties summarised by asset class and country for the year ended 31 December 2020:

€m	Logistics	Residential	Office	Total
Germany	44.2	31.3	13.8	**89.3**
France	48.4	–	7.1	**55.5**
Netherlands	7.2	16.1	–	**23.3**
Sweden	15.9	–	–	**15.9**
Spain	7.4	–	7.6	**15.0**
Poland	14.4	–	–	**14.4**
Italy	8.6	–	5.0	**13.6**
Denmark	12.4	–	–	**12.4**
United Kingdom	4.3	–	–	**4.3**
Switzerland	1.9	–	–	**1.9**
Finland	1.8	–	–	**1.8**
Norway	1.8	–	–	**1.8**
Greece	0.4	–	–	**0.4**
Total	**168.7**	**47.4**	**33.5**	**249.6**

The following table reflects net turnover of the Group's investment properties summarised by asset class and country for the year ended 31 December 2019:

€m	Logistics	Residential	Office	Total
Germany	38.2	31.0	15.2	**84.4**
France	19.4	–	7.0	**26.4**
Poland	16.9	–	–	**16.9**
Spain	6.6	–	7.6	**14.2**
Netherlands	6.8	6.8	–	**13.6**
Italy	8.6	–	4.8	**13.4**
Sweden	2.0	–	–	**2.0**
Denmark	0.7	–	–	**0.7**
Finland	0.4	–	–	**0.4**
Total	**99.6**	**37.8**	**34.6**	**172.0**

Note 13 – Other operating income

Other operating income of the Group consists of the following:

€m	For the year ended 31 December 2020	For the year ended 31 December 2019
Service charge income	49.0	37.0
Net gain on disposals	3.4	63.1
Other income	4.6	5.0
Total	**57.0**	**105.1**

During 2020, the Group disposed of 5 units in one of its residential buildings located in Germany for gross proceeds of €2.1 million and recognised a €1.4 million gain on disposal.

During 2019, the Group disposed of two logistics properties in Poland and one office property in Germany for gross proceeds of €292.3 million and recognised a gain on disposal of €63.1 million. During 2020, the Group recognised an additional €1.8 million gain related to these disposals.

Note 14 – Other external expenses

The following table summarises other external expenses comprised of general and administrative expenses, audit, legal and advisory fees, and other corporate costs incurred by the Group:

€m	For the year ended 31 December 2020	For the year ended 31 December 2019
Administrative expenses	10.5	8.2
Advisory fees	4.3	3.5
Legal fees	3.5	3.0
Accounting fees	2.2	1.8
Audit fees	1.6	1.8
Other expenses	2.7	2.8
Total	**24.8**	**21.1**

Note 15 – Employees

As at 31 December 2020, the Group had 36 (2019: 43) full-time employees. Employee expenses are presented in the consolidated profit and loss account within "Other external expenses". No loans or incentives were provided to the management of the Group.

Note 16 – Other operating expenses

The following table summarises other operating expenses which primarily consist of service charge expenses and asset management fees incurred in connection with the operations of the Group's investment properties:

€m	For the year ended 31 December 2020	For the year ended 31 December 2019
Service charges and other expenses	68.4	50.9
Asset management fees	16.2	11.5
Total	**84.6**	**62.4**

Notes to the Consolidated Annual Accounts (cont'd)

Note 17 – Interest payable and similar expenses

The following table summarises interest expense incurred in connection with the Group's external and affiliated borrowings as well as amortisation of deferred financing fees related to originating such borrowings (see Notes 7 and 10):

€m	For the year ended 31 December 2020	For the year ended 31 December 2019
Other interest and similar expenses		
Interest on unsecured notes	46.9	35.2
Interest on amounts owed to credit institutions	7.1	8.1
Foreign exchange losses	5.6	0.1
Amortisation of deferred financing fees[1]	4.7	3.5
Other financial expenses and bank fees	4.6	3.4
Write-off of deferred financing fees	1.1	4.5
	70.0	**54.8**
Concerning affiliated undertakings		
Interest on amounts owed to affiliated undertakings	54.2	40.5
	54.2	**40.5**
Total	**124.2**	**95.3**

1. Includes the effective interest rate adjustments.

Note 18 – Tax on profit or loss

The "Tax on profit or loss" consists of a current tax charge of €7.7 million (2019: €4.7 million) and a deferred tax charge of €5.5 million (2019: €2.3 million) (see Note 9).

Note 19 – Related party transactions

A number of the Group's investment properties are asset managed by related parties. During 2020, the Group incurred €1.3 million (2019: €2.1 million) of related party asset management fees and €0.2 million (2019: €0.4 million) of accounting fees.

During 2020 and 2019, the Group earned an immaterial amount of income from recharges to a related party.

Note 20 – Off balance sheet commitments and contingencies

Litigation and claims

The Group may be involved in litigation and claims in the ordinary course of business. As at 31 December 2020 and 2019, the Group was not involved in any legal proceedings that are expected to have a material adverse effect on the Group's operations, financial position or liquidity.

The Group has contingent liabilities in respect of legal claims, guarantees and warranties arising in the ordinary course of business. It is not anticipated that any material obligations will arise from these contingent liabilities.

Note 21 – Subsequent events

Since 31 December 2020, BPPEH has acquired a four-unit logistics park located in the United Kingdom for a gross purchase price of GBP119 million (approximately €137 million). BPPEH also signed an agreement to acquire an approximately 74% interest in two office properties located in Dublin for a gross purchase price of €292 million. Closing is expected to occur in the first half of 2021.

BPPEH continues to monitor the COVID-19 outbreak and its impact on economic and market conditions. The rapid development and fluidity of this situation preclude any prediction as to the future impact on BPPEH's performance and financial results. There have been no subsequent events relating to COVID-19 requiring adjustments to BPPEH's consolidated accounts for the year ended 31 December 2020.

Note 22 – List of consolidated entities

No.	Name	Effective ownership 31 December 2020	Effective ownership 31 December 2019	Country of incorporation	Consolidation method
1	Blackstone Property Partners Europe Holdings S.à r.l.	n.a.	n.a.	Luxembourg	Parent company
2	LZ German Super Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
3	Alpha German Super Topco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
4	Alpha German Topco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
5	SF German Master Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
6	Azurite Master Topco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
7	Azurite Topco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
8	Azurite Unsecured Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
9	German Unsecured Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
10	Azurite German Majority Topco S.à r.l.	58.68%	58.68%	Luxembourg	Full consolidation
11	Azurite German Majority Midco S.à r.l.	58.68%	58.68%	Luxembourg	Full consolidation
12	Azurite German Majority Holdco S.à r.l.	58.68%	58.68%	Luxembourg	Full consolidation
13	Gemini Unsecured Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
14	Gemini Master Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
15	Gemini Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
16	Thesaurus Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
17	Thesaurus Investment S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
18	Polaris Master Topco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
19	Polaris Finco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
20	BPPE Finco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
21	Azurite Non-German Finco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
22	German Resi Finco S.à r.l.	90.00%	100.00%	Luxembourg	Full consolidation
23	Azurite German Finco S.à r.l.	52.81%	100.00%	Luxembourg	Full consolidation
24	Alpha German Pledgeco S.à r.l.	55.96%	50.37%	Luxembourg	Full consolidation
25	Alpha German Holdco S.à r.l.	55.96%	50.37%	Luxembourg	Full consolidation
26	KC Chris GmbH	50.37%	50.37%	Germany	Full consolidation
27	KC Valentina GmbH	50.37%	50.37%	Germany	Full consolidation
28	KC Isabella GmbH	50.37%	50.37%	Germany	Full consolidation
29	KC Carolina GmbH	50.37%	50.37%	Germany	Full consolidation
30	KC Louise GmbH	50.37%	50.37%	Germany	Full consolidation
31	KC Berlin 1 GmbH	50.37%	50.37%	Germany	Full consolidation
32	KC Berlin 2 GmbH	50.37%	50.37%	Germany	Full consolidation
33	KC Berlin 3 GmbH	50.37%	50.37%	Germany	Full consolidation
34	KC Berlin 4 GmbH	50.37%	50.37%	Germany	Full consolidation
35	LZ German Topco S.à r.l.	100.00%	99.38%	Luxembourg	Full consolidation
36	LZ German Holdco S.à r.l.	100.00%	99.38%	Luxembourg	Full consolidation
37	Leipziger Strasse S.à r.l.	0.00%	0.00%	Luxembourg	Sold as at 19/12/2019

Notes to the Consolidated Annual Accounts (cont'd)

No.	Name	Effective ownership 31 December 2020	Effective ownership 31 December 2019	Country of incorporation	Consolidation method
38	Peninsula Bidco BV	100.00%	100.00%	Netherlands	Full consolidation
39	Peninsula Pledgeco BV	100.00%	100.00%	Netherlands	Full consolidation
40	OPPCI Dyna Sppicav	100.00%	100.00%	France	Full consolidation
41	Peninsula Topco S.à r.l.	0.00%	100.00%	Luxembourg	Liquidated
42	Peninsula Pledgeco S.à r.l.	0.00%	100.00%	Luxembourg	Liquidated
43	Peninsula Bidco S.à r.l.	0.00%	100.00%	Luxembourg	Liquidated
44	SCI Dynavia	100.00%	100.00%	France	Full consolidation
45	Perceval Topco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
46	Perceval Investment S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
47	Ermes Fund	52.81%	52.81%	Italy	Full consolidation
48	Logan (Bad Hersfeld) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
49	Logan (Borken 1) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
50	Logan (Borken 2) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
51	Logan (Bremerhaven) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
52	Logan (Hassfurt) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
53	Logan (Neunkirchen) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
54	Jago European Club II S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
55	Tanzanite Topco BV	52.81%	52.81%	Netherlands	Full consolidation
56	Tanzanite Dordrecht BV	52.81%	52.81%	Netherlands	Full consolidation
57	Tanzanite Holdco BV	52.81%	52.81%	Netherlands	Full consolidation
58	Tanzanite Vianen I BV	52.81%	52.81%	Netherlands	Full consolidation
59	Tanzanite Vianen II BV	52.81%	52.81%	Netherlands	Full consolidation
60	Tanzanite Schiphol BV	52.81%	52.81%	Netherlands	Full consolidation
61	Tanzanite Tiel BV	52.81%	52.81%	Netherlands	Full consolidation
62	Canary Pledgeco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
63	Canary Holdco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
64	Taliesin Managing-Partner GmbH	52.61%	52.61%	Germany	Full consolidation
65	Taliesin I GmbH	50.37%	50.37%	Germany	Full consolidation
66	Phoenix Dutch BV	50.37%	50.37%	Netherlands	Full consolidation
67	Taliesin II GmbH	50.37%	50.37%	Germany	Full consolidation
68	Phoenix B2 -Glatzerstrasse S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
69	Phoenix D1 - Hohenstaufenstrasse S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
70	Phoenix II Mixed H S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
71	Phoenix II Mixed I S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
72	Phoenix II Mixed J S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
73	Phoenix II Mixed K S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
74	Phoenix II Mixed N S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
75	Phoenix III Mixed O S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation

No.	Name	Effective ownership 31 December 2020	Effective ownership 31 December 2019	Country of incorporation	Consolidation method
76	Taliesin Deutschland GmbH	50.37%	0.00%	Luxembourg	Full consolidation
77	Adamma Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
78	Adamma Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
79	ADAMMA Home GmbH	90.00%	90.00%	Germany	Full consolidation
80	Arabella Topco S.à r.l.	99.70%	99.70%	Luxembourg	Full consolidation
81	Arabella Finco S.à r.l.	0.00%	99.70%	Luxembourg	Sold as at 27/05/2020
82	Arabella Holdco S.à r.l.	99.70%	99.70%	Luxembourg	Full consolidation
83	Arabella Propco S.à r.l.	89.73%	89.73%	Luxembourg	Full consolidation
84	Azurite Mezzco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
85	Azurite Pledgeco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
86	Azurite Bidco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
87	Azurite France Propco I SNC	52.81%	52.81%	France	Full consolidation
88	Azurite France Bidco SAS	52.81%	52.81%	France	Full consolidation
89	Azurite France Propco II SNC	52.81%	52.81%	France	Full consolidation
90	Azurite France Propco III SNC	52.81%	52.81%	France	Full consolidation
91	Azurite Montélimar (France) SAS	52.81%	52.81%	France	Full consolidation
92	Azurite Mitry (France) S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
93	Azurite Immobilier EURL	52.81%	52.81%	France	Full consolidation
94	Azurite Properties Germany BV	52.81%	52.81%	Netherlands	Full consolidation
95	Azurite Werne Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
96	Azurite Viersen Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
97	Azurite Halle Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
98	Azurite Michelsrombach Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
99	Azurite Hamm Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
100	Azurite Schwäbisch Gmünd Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
101	Azurite Linsengericht Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
102	Azurite Waldlaubersheim Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
103	Azurite Poland Holdco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
104	Azurite Poland Propco I Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
105	Azurite Poland Propco II Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
106	Azurite Poland Propco III Sp.z o.o.	0.00%	0.00%	Poland	Sold as at 22/05/2019
107	Azurite Poland Propco IV Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
108	Azurite Poland Propco V Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
109	Azurite Poland Propco VI Sp.z o.o.	0.00%	0.00%	Poland	Sold as at 22/05/2019
110	Gamma Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
111	Gamma Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
112	Wackenida GmbH	90.00%	90.00%	Germany	Full consolidation
113	St. Bonifatius Wohnungsbaugesellschaft mbH	90.00%	90.00%	Germany	Full consolidation

CONSOLIDATED ANNUAL ACCOUNTS

Notes to the Consolidated Annual Accounts (cont'd)

No.	Name	Effective ownership 31 December 2020	Effective ownership 31 December 2019	Country of incorporation	Consolidation method
114	Speyerer Straße 3 Immobilienverwaltung GmbH	90.00%	90.00%	Germany	Full consolidation
115	Oldenburger Straße Betreuungs GmbH	90.00%	90.00%	Germany	Full consolidation
116	SK 96 - Wohnungsbaukombinat GmbH	90.00%	90.00%	Germany	Full consolidation
117	Richardstraße 60, 61 Berlin-Neukölln GmbH	90.00%	90.00%	Germany	Full consolidation
118	Ravenna Lodging GmbH	90.00%	90.00%	Germany	Full consolidation
119	Wustermarker Str. 38/39 Objekt GmbH	90.00%	90.00%	Germany	Full consolidation
120	Laser Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
121	Laser Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
122	Laser (Spain) Holdco, S.L.U.	100.00%	100.00%	Spain	Full consolidation
123	Laser (Spain) Propco II, S.L.U.	100.00%	100.00%	Spain	Full consolidation
124	Laser (Spain) Propco I, S.L.U.	100.00%	100.00%	Spain	Full consolidation
125	Laser (Spain) Propco III S.L.U.	100.00%	100.00%	Spain	Full consolidation
126	Garden Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
127	Garden Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
128	Garden (Spain) Holdco S.L.U.	100.00%	100.00%	Spain	Full consolidation
129	Garden (Spain) Propco S.L.U.	100.00%	100.00%	Spain	Full consolidation
130	Pariser Pledgeco S.à r.l.	99.66%	99.66%	Luxembourg	Full consolidation
131	Pariser Holdco S.à r.l.	99.66%	99.66%	Luxembourg	Full consolidation
132	Pariser Platz ZwischenHoldCo GmbH	89.70%	89.70%	Germany	Full consolidation
133	Pariser Platz Propco S.C.S.	89.70%	89.70%	Luxembourg	Full consolidation
134	Pariser Platz (Propco) GP S.à r.l.	89.70%	89.70%	Luxembourg	Full consolidation
135	Gemini Poland Topco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
136	Gemini Poland Holdco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
137	Gemini Finco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
138	Gemini (Poland) Propco I Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
139	Gemini (Poland) Propco II Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
140	Gemini (Poland) Propco III Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
141	Gemini (Poland) Propco IV Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
142	Gemini (Poland) Propco V Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
143	Gemini German Majority Midco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
144	Gemini German Majority Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
145	Gemini German Majority Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
146	Gemini Forchheim Logistics LLC	90.00%	90.00%	Delaware	Full consolidation
147	Gemini Sulzenbrucker Strasse 7 LLC	90.00%	90.00%	Delaware	Full consolidation
148	Gemini Karlsdorf LLC	90.00%	90.00%	Delaware	Full consolidation
149	Gemini Duisburg LLC	90.00%	90.00%	Delaware	Full consolidation
150	Gemini Nuremburg LLC	90.00%	90.00%	Delaware	Full consolidation
151	Summer Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation

No.	Name	Effective ownership 31 December 2020	Effective ownership 31 December 2019	Country of incorporation	Consolidation method
152	Summer Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
153	Summer Propco 1 GmbH	90.00%	90.00%	Germany	Full consolidation
154	Summer Propco 2 GmbH	90.00%	90.00%	Germany	Full consolidation
155	Leiko Finco S.à r.l.	89.54%	89.54%	Luxembourg	Full consolidation
156	Leiko Investments S.à r.l.	89.54%	89.54%	Luxembourg	Full consolidation
157	Leiko Super Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
158	Leiko Topco S.à r.l.	90.00%	90.05%	Luxembourg	Full consolidation
159	Leiko Holdco S.à r.l.	89.54%	89.54%	Luxembourg	Full consolidation
160	Spring Topco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
161	Spring Pledgeco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
162	Spring Investment S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
163	Star Pledgeco S.à r.l.	100.00%	90.00%	Luxembourg	Full consolidation
164	Star Holdco S.à r.l.	100.00%	90.00%	Luxembourg	Full consolidation
165	Projekt Itaca GmbH	90.00%	90.00%	Germany	Full consolidation
166	Thesaurus Fund	100.00%	100.00%	Italy	Full consolidation
167	Honos Fund	100.00%	100.00%	Italy	Full consolidation
168	Rembrandt Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
169	Rembrandt Midco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
170	Rembrandt Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
171	Rembrandt Holdco BV	100.00%	100.00%	Netherlands	Full consolidation
172	Rembrandt Propco I BV	100.00%	100.00%	Netherlands	Full consolidation
173	Rembrandt Propco II BV	100.00%	100.00%	Netherlands	Full consolidation
174	Rembrandt Propco III BV	100.00%	100.00%	Netherlands	Full consolidation
175	Rembrandt Propco IV BV	100.00%	100.00%	Netherlands	Full consolidation
176	Rembrandt Propco V BV	100.00%	100.00%	Netherlands	Full consolidation
177	Rembrandt Propco VI BV	100.00%	100.00%	Netherlands	Full consolidation
178	Rembrandt Propco VII BV	100.00%	100.00%	Netherlands	Full consolidation
179	Rembrandt Propco VIII BV	100.00%	0.00%	Netherlands	Full consolidation
180	Rembrandt Propco IX BV	100.00%	0.00%	Netherlands	Full consolidation
181	Rembrandt Propco X BV	100.00%	0.00%	Netherlands	Full consolidation
182	Mountain Holdco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
183	Mountain Bidco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
184	Mountain Bidco II SNC	50.52%	50.52%	France	Full consolidation
185	Mountain Bidco I SNC	50.52%	50.52%	France	Full consolidation
186	Mountain Holdco II S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
187	Mountain Bidco II S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
188	Mountain Angers SCI	50.52%	50.52%	France	Full consolidation
189	Mountain Besançon SCI	50.52%	50.52%	France	Full consolidation

Notes to the Consolidated Annual Accounts (cont'd)

No.	Name	Effective ownership 31 December 2020	Effective ownership 31 December 2019	Country of incorporation	Consolidation method
190	Mountain Amiens SCI	50.52%	50.52%	France	Full consolidation
191	Combs SCI	50.52%	50.52%	France	Full consolidation
192	Mountain Etoile SCI	50.52%	50.52%	France	Full consolidation
193	Mountain Hem 1 SCI	50.52%	50.52%	France	Full consolidation
194	Mountain Montbartier SCI	50.52%	50.52%	France	Full consolidation
195	Mountain Monteux 1 SCI	50.52%	50.52%	France	Full consolidation
196	Mountain Monteux 2 SCI	50.52%	50.52%	France	Full consolidation
197	Mountain Noyelles SCI	50.52%	50.52%	France	Full consolidation
198	Mountain Toufflers SCI	50.52%	50.52%	France	Full consolidation
199	Mountain Villebon SCI	50.52%	50.52%	France	Full consolidation
200	Monclair Bidco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
201	Monclair Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
202	Monclair Finco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
203	Monclair Logistics (Dammartin) SCI	100.00%	100.00%	France	Full consolidation
204	Monclair Logistics (Dunkerque) SCI	100.00%	100.00%	France	Full consolidation
205	Monclair Logistics (Ferrieres) SCI	100.00%	100.00%	France	Full consolidation
206	Monclair Logistics (Ormes) SCI	100.00%	100.00%	France	Full consolidation
207	Monclair Logistics (Saint Pierre) SCI	100.00%	100.00%	France	Full consolidation
208	Monclair Logistics (Salon) SCI	100.00%	100.00%	France	Full consolidation
209	Monclair Logistics (Saint Quentin Fallavier) SCI	100.00%	100.00%	France	Full consolidation
210	Monclair Logistics (SQF 2) SCI	100.00%	100.00%	France	Full consolidation
211	Monclair Logistics (Chalon) SCI	100.00%	100.00%	France	Full consolidation
212	Polaris Holdco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
213	Polaris Bidco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
214	Polaris Bidco (Sweden) AB	50.52%	50.52%	Sweden	Full consolidation
215	Polaris Kommanditdelägare AB	50.52%	50.52%	Sweden	Full consolidation
216	Polaris Komplementär AB	50.52%	50.52%	Sweden	Full consolidation
217	Polaris Propco (Sweden) 1 AB	50.52%	50.52%	Sweden	Full consolidation
218	Polaris Propco (Sweden) 2 AB	50.52%	50.52%	Sweden	Full consolidation
219	Polaris Propco (Sweden) 3 AB	50.52%	50.52%	Sweden	Full consolidation
220	Polaris Propco (Sweden) 4 AB	50.52%	50.52%	Sweden	Full consolidation
221	Polaris Propco (Sweden) 5 AB	50.52%	50.52%	Sweden	Full consolidation
222	Polaris Propco (Sweden) 6 AB	50.52%	50.52%	Sweden	Full consolidation
223	Polaris Propco (Sweden) 7 AB	50.52%	50.52%	Sweden	Full consolidation
224	Polaris Propco (Sweden) 8 KB	50.52%	50.52%	Sweden	Full consolidation
225	Polaris Propco (Sweden) 9 KB	50.52%	50.52%	Sweden	Full consolidation
226	Polaris Holdco (Finland) Oy	50.52%	50.52%	Finland	Full consolidation
227	Polaris Propco (Finland) Oy	50.52%	50.52%	Finland	Full consolidation

CONSOLIDATED ANNUAL ACCOUNTS

No.	Name	Effective ownership 31 December 2020	Effective ownership 31 December 2019	Country of incorporation	Consolidation method
228	Polaris Bidco Denmark ApS	50.52%	50.52%	Denmark	Full consolidation
229	Polaris Propco Denmark 2 ApS	50.52%	50.52%	Denmark	Full consolidation
230	Polaris Propco Denmark 1 ApS	50.52%	50.52%	Denmark	Full consolidation
231	Light Holdco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
232	Light (Germany) Propco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
233	Light (Switzerland) Propco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
234	Light (Greece) Propco S.A.	50.52%	50.52%	Greece	Full consolidation
235	Bjorn Holdco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
236	Bjorn Topco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
237	Bjorn Norway Bidco AS	100.00%	0.00%	Norway	Full consolidation
238	Bjorn Sweden Bidco AB	100.00%	0.00%	Sweden	Full consolidation
239	Bjorn Denmark Bidco ApS	100.00%	0.00%	Denmark	Full consolidation
240	Bjorn Denmark Propco 3 ApS	100.00%	0.00%	Denmark	Full consolidation
241	Bjorn Sweden Bidco 1 AB	100.00%	0.00%	Sweden	Full consolidation
242	Bjorn Sweden Bidco 2 AB	100.00%	0.00%	Sweden	Full consolidation
243	Bjorn Sweden Bidco 3 AB	100.00%	0.00%	Sweden	Full consolidation
244	Bjorn Sweden Bidco 4 AB	100.00%	0.00%	Sweden	Full consolidation
245	Bjorn Denmark Bidco 1 ApS	100.00%	0.00%	Denmark	Full consolidation
246	Bjorn Denmark Bidco 2 ApS	100.00%	0.00%	Denmark	Full consolidation
247	Bjorn Denmark Bidco 3 ApS	100.00%	0.00%	Denmark	Full consolidation
248	Bjorn Denmark Bidco 4 ApS	100.00%	0.00%	Denmark	Full consolidation
249	Bjorn (Sweden) Propco 1 AB	100.00%	0.00%	Sweden	Full consolidation
250	Bjorn (Sweden) Propco 2 AB	100.00%	0.00%	Sweden	Full consolidation
251	Bjorn (Sweden) Propco 3 AB	100.00%	0.00%	Sweden	Full consolidation
252	Bjorn (Sweden) Propco 4 Kommanditbolag KB	100.00%	0.00%	Sweden	Full consolidation
253	Bjorn Norway Holding AS	100.00%	0.00%	Norway	Full consolidation
254	Bjorn Norway Holdco 1 AS	100.00%	0.00%	Norway	Full consolidation
255	Bjorn Norway Propco 2 AS	100.00%	0.00%	Norway	Full consolidation
256	Bjorn Norway Holdco 3 AS	100.00%	0.00%	Norway	Full consolidation
257	Bjorn Norway Propco 4 AS	100.00%	0.00%	Norway	Full consolidation
258	Bjorn Denmark Propco 1 ApS	100.00%	0.00%	Denmark	Full consolidation
259	Bjorn Denmark Propco 2 ApS	100.00%	0.00%	Denmark	Full consolidation
260	Bjorn Denmark Propco 4 ApS	100.00%	0.00%	Denmark	Full consolidation
261	Bjorn Denmark Propco 5 ApS	100.00%	0.00%	Denmark	Full consolidation
262	Prox/Ast Holdco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
263	Proximity (Germany) BPPE Holdco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
264	Proximity (France) Holdco S.à r.l.	75.10%	0.00%	Luxembourg	Full consolidation
265	Proximity Finco S.à r.l.	75.10%	0.00%	Luxembourg	Full consolidation

Notes to the Consolidated Annual Accounts (cont'd)

No.	Name	Effective ownership 31 December 2020	Effective ownership 31 December 2019	Country of incorporation	Consolidation method
266	CLM1 S.à r.l.	75.10%	0.00%	Luxembourg	Full consolidation
267	CLM 1.1 S.à r.l.	75.10%	0.00%	Luxembourg	Full consolidation
268	CLM2 S.à r.l.	75.10%	0.00%	Luxembourg	Full consolidation
269	CL French LML Holding S.à r.l.	75.10%	0.00%	Luxembourg	Full consolidation
270	CL French LML S.à r.l.	75.10%	0.00%	Luxembourg	Full consolidation
271	CL French LML Holding 2 S.à r.l.	75.10%	0.00%	Luxembourg	Full consolidation
272	France LML 1 SAS	75.10%	0.00%	France	Full consolidation
273	France LML 3 SAS	75.10%	0.00%	France	Full consolidation
274	France LML 2 SCI	75.10%	0.00%	France	Full consolidation
275	Astrid (Sweden) Holdco S.à r.l.	75.00%	0.00%	Luxembourg	Full consolidation
276	Hawk Holdco S.à r.l.	75.00%	0.00%	Luxembourg	Full consolidation
277	Astrid Finco S.à r.l.	75.00%	0.00%	Luxembourg	Full consolidation
278	Astrid Sweden Bidco 1 AB	75.00%	0.00%	Sweden	Full consolidation
279	Astrid Sweden Bidco 2 AB	75.00%	0.00%	Sweden	Full consolidation
280	Astrid Sweden Örja 1:21 AB	75.00%	0.00%	Sweden	Full consolidation
281	Astrid Sweden Bromsregulatorn 1 AB	75.00%	0.00%	Sweden	Full consolidation
282	Astrid Sweden Söderarm 11 AB	75.00%	0.00%	Sweden	Full consolidation
283	Astrid Sweden Jordbromalm KB	75.00%	0.00%	Sweden	Full consolidation
284	Astrid Sweden Arendal 1:17 AB	75.00%	0.00%	Sweden	Full consolidation
285	Astrid Sweden Tunnan 1 AB	75.00%	0.00%	Sweden	Full consolidation
286	Astrid Sweden Torlunda 1:278 KB	75.00%	0.00%	Sweden	Full consolidation
287	Logistea Propco AB	75.00%	0.00%	Sweden	Full consolidation
288	BPPE Swedish Residential Holdco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
289	Podium Super Topco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
290	Podium Finco S.à r.l.	81.00%	0.00%	Luxembourg	Full consolidation
291	Podium Topco Ltd.	81.00%	0.00%	Isle of Man	Full consolidation
292	Podium Midco Ltd.	81.00%	0.00%	Isle of Man	Full consolidation
293	Podium Holdco 1 Ltd.	81.00%	0.00%	Isle of Man	Full consolidation
294	Podium Litchfield Ltd.	81.00%	0.00%	Isle of Man	Full consolidation
295	Podium Propco 1 Ltd.	81.00%	0.00%	Isle of Man	Full consolidation
296	Podium Bermuda Park Limited	81.00%	0.00%	Isle of Man	Full consolidation
297	Podium Eurocentral I Limited	81.00%	0.00%	Isle of Man	Full consolidation
298	Podium Eurocentral II Limited	81.00%	0.00%	Isle of Man	Full consolidation
299	Podium Industrial I Limited	81.00%	0.00%	Isle of Man	Full consolidation
300	Podium Industrial II Limited	81.00%	0.00%	Isle of Man	Full consolidation
301	Podium Midpoint Limited	81.00%	0.00%	Isle of Man	Full consolidation
302	Podium Newport Limited	81.00%	0.00%	Isle of Man	Full consolidation
303	Podium Oldham Limited	81.00%	0.00%	Isle of Man	Full consolidation

CONSOLIDATED ANNUAL ACCOUNTS

No.	Name	Effective ownership 31 December 2020	Effective ownership 31 December 2019	Country of incorporation	Consolidation method
304	Podium Stockport Limited	81.00%	0.00%	Isle of Man	Full consolidation
305	Podium Warrington Limited	81.00%	0.00%	Isle of Man	Full consolidation
306	Podium Worcester III Limited	81.00%	0.00%	Isle of Man	Full consolidation
307	Podium UK XCV S.à r.l.	81.00%	0.00%	Luxembourg	Full consolidation
308	Podium UK XCVI S.à r.l.	81.00%	0.00%	Luxembourg	Full consolidation
309	Podium UK XCVIII S.à r.l.	81.00%	0.00%	Luxembourg	Full consolidation
310	Podium Northampton LLC	81.00%	0.00%	United States	Full consolidation
311	Podium Widnes LLC	81.00%	0.00%	United States	Full consolidation
312	Podium Worcester LLC	81.00%	0.00%	United States	Full consolidation
313	Tirbido Investment S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
314	Cecita Investment S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
315	Parghelia Investment S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation

Definitions

Adjusted NOI	NOI annualised for investments acquired during the period, adjusted to exclude annualised rent abatements and non-recurring items and include rent top-ups provided by sellers
Blackstone	The Blackstone Group Inc. or, as the context may require, one or more funds, managed accounts or limited partnerships managed or advised by The Blackstone Group Inc. or any of its affiliates or direct or indirect subsidiaries from time to time
BPPE	Blackstone Property Partners Europe, an open-ended fund focused on core+ real estate investments in Europe (Legal entities: Blackstone Property Partners Europe L.P., Blackstone Property Partners Europe F L.P., Blackstone Property Partners Europe (Lux) SCSp, and Blackstone Property Partners Europe (Lux) C SCSp)
BPPEH	Blackstone Property Partners Europe Holdings S.à r.l., a wholly-owned subsidiary of BPPE
EBITDA	The profit/(loss) for the financial year/period, adjusted to add back net finance costs, taxation, depreciation and amortisation
EMTN Programme	€5,000,000,000 Euro Medium Term Note Programme established by BPPEH
GAV	Gross asset value calculated as the total market value of the properties under management, including the total value of related equity and debt positions as well as joint venture and co-investment ownership positions
GLA	Gross leasable area
LfL Change	Change in metrics for the like-for-like portfolio, which is comprised of assets owned throughout the period from 31 December 2019 to 31 December 2020 (i.e., excludes assets developed, acquired or sold during 2020)
Net LTV	Net loan-to-value ratio, calculated as the principal amount of interest bearing debt (excluding shareholder loans) less cash, divided by GAV, such that the amounts attributable to related equity and debt positions as well as joint venture and co-investment ownership positions are included in the calculation
NOI[1]	Net operating income, calculated as total property and related revenues less property operating expenses
NOI Yield	Adjusted NOI divided by GAV
Occupancy	Occupied GLA divided by total GLA, including rental guarantees unless otherwise noted; where specified, economic occupancy includes rental guarantees and physical occupancy excludes rental guarantees
Passing Rent	The rent at which an asset is rented at a point in time. Passing rent per square metre is calculated based on rent and occupied area attributable to the asset's primary use
RCF	Revolving credit facility
Releasing Spread	Difference between the new rent signed and the old prevailing rent on renewals (same space, same tenant) or new leases (same space, different tenant)
sqm	Square metres
WALL	Weighted average unexpired lease term, based on rent; calculated to first break unless otherwise noted

Note: All BPPEH metrics in this Annual Report are calculated at 100% share (including the portion attributable to minority owners).

1. Total property and related revenues (adjusted for straight line rent, if any) less property operating expenses (excluding, for the avoidance of doubt, general and administrative costs, interest expense, transaction costs, depreciation and amortisation expense, realised gains (losses) from the sale of properties and other capital expenditures and leasing costs necessary to maintain the operating performance of the properties).

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